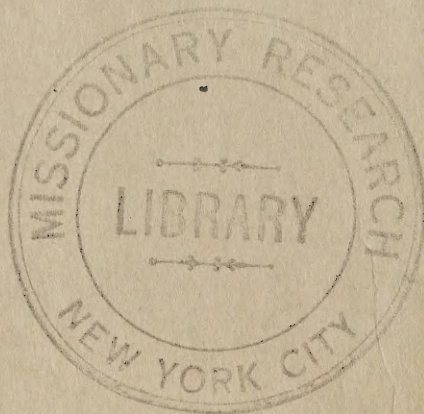


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Statement of Askings
of
THE BOARD OF FOREIGN MISSIONS
to the
WORLD SERVICE COMMISSION
METHODIST EPISCOPAL CHURCH
for the fiscal year
June 1, 1937 to May 31, 1938 9



GENERAL STATEMENT OF THE BOARD OF FOREIGN MISSIONS
To The
WORLD SERVICE COMMISSION
FOR 1938

Accepting most seriously the request of the Special Committee on the Study of Ratios made in 1937 the Board of Foreign Missions prepared for that Committee and for the World Service Commission a document which it believes to be a basic statement concerning the responsibilities which the Church has placed upon the Board. That document is far more than a passing survey of current needs and obligations, for it goes to the roots of our foreign missionary obligations and covers in some detail the responsibilities of the Board of Foreign Missions and the place of the Board in the total life of the Church. We believe that the fundamental character of that document, the situations to which it points, and the inclusive positions taken therein, should be kept clearly in mind when the Commission faces its responsibilities in relation to the Board of Foreign Missions. The complete statement appeared as "Exhibit J" in the Journal of the 1937 Annual Meeting of the Board and covered the following subjects:

1. Methodism and Field Occupation. This section shows in detail the extensive areas wherein our Church has the sole or the primary responsibility,-- a compilation of facts and statistics which is overwhelming both in its magnitude and in its implications.
2. Cooperative Relationships of the Board. The section points out that we have joined with other Christian organizations in united tasks of various types, and that obligations of honor have been entered into which we are not now meeting.
3. Inclusive Services in Foreign Fields. The Board is responsible for general missionary and evangelistic work, which includes both maintenance and Church extension, for medical work, and for educational work in primary, secondary and higher schools, and in theology, medicine and nurse training, as well as for the creation and distribution of Christian literature. In connection with this inclusive range of service costs are involved which are inherent in the enterprise abroad and which do not have counterparts in the costs of the Church's benevolent functioning in or on behalf of the home field,--the extension travel of missionaries, which amounts to about \$90,000 a year; the housing of missionaries, their language study, schools for their children; education of foreign students in the United States, and the pension of a large group of retired missionaries, which amounts to over \$70,000 annually.
4. Nearing Breakdown. The document discloses the near breakdown of our missionary work because of reduced personnel and of the doubling of tasks which have been placed upon both missionary and national workers.
5. Legislation on Designated Gifts, as passed by the General Conference of 1936, bears enormously on the Board's work. Nothing that has developed during the present year challenges the validity of the main thesis of that statement.

6. What the Past Shows. The figures by quadrenniums, since 1911, are given to show that when the Church had freedom of designation the Board of Foreign Missions received a larger ratio of the total income than your ratios fixed for undesignated money.

7. Appeal of Foreign Missions. To large numbers in the Church the appeal of the outer frontiers of the Church's work is continuous and compelling. Experience through the years would indicate that any attempt to harness this motivation to other objectives, any effort to restrict its expression, tends to discount and to deaden the total benevolence program. On the other hand, allowing this larger drive full play should make for a rising tide of benevolence in respect to all the denominational projects.

8. Securing Capital Funds. It is made plain that the Board of Foreign Missions must appeal to the general constituency of the Church for capital funds in a way quite distinct from that of any other causes, since the other causes can appeal to local and community interests. Clearly the pro-rating of gifts for capital funds adversely affects the Board of Foreign Missions.

9. The Board's Debt. The statement points out that the Board's debt is not due to over-appropriation or over-expenditure of appropriation but to decreased income caused by two factors: (a) A general reduction in World Service income. (b) The Board received a smaller percentage of that reduced World Service income in 1936 than in 1931. The Annual Report of the World Service Commission for 1935-1936, page 62, shows that the Foreign Board received in 1931, 42.95% of the income and in 1936 only 37.536% of the income. The Board received in 1936, \$1,746,322 less from World Service sources than it did in 1931.

10. Annual Conference Benevolences. The extraordinary fact is brought out that the Annual Conference Benevolences, all of which go to home causes, amount to approximately two-thirds of the total World Service giving.

11. Pensions for Former Missionaries. The legislation of the General Conference of 1936 regarding pensions throws back upon the Board of Foreign Missions a measure of responsibility for the pensions of those men who have served a period of their ministerial life on the foreign field. The Board's item under this legislation will reach many thousands of dollars annually. The numerous requests in this connection which have come to the Board during the past year have revealed the importance of this point, and a financial problem of no small significance is emerging.

12. The Expectation of the Church. The work of foreign missions has had a large place in the appeal of the Million Unit Fellowship Movement. The Church rightly expects that increased World Service giving will make possible a marked advance in foreign missions.

13. The Board's Personnel. The reduction of the number of missionaries from 1209 missionaries in 1921 to 571 missionaries, the smallest number since 1905, is noted.

14. General Policies. A final statement is made showing the policies which the Board would follow if these were justified by increased receipts,- the sending out of more missionaries, the training of preachers, the provision of Christian literature, the strengthening of the schools in China, accepting the special opportunities for Christian education in Africa, and fulfilling our large responsibility in the India Mass Movement.

FINANCIAL OPERATIONS OF 1937

We turn now to certain current items. Our Treasurer's Report shows that the current income for the year ending October 31, 1937, was \$91,294.47 larger than the preceding year. Many questions have been raised concerning this increase. Why was it not larger in view of the total World Service Increase? Why was more of it not applied on the debt? Why were not more new missionaries sent out? Where was the increase applied? These questions are answered in the report of the Treasurer of the Board concerning receipts and disbursements which is as follows:

Receipts

The total receipts for the year, applicable to the Regular Appropriations, were \$963,082.59, an increase of \$57,344.77. When compared with the decreases of recent years, this increase is most gratifying.

The World Service income for the twelve months ending October 31, 1937, was \$3,209,151.50, which is an increase over the preceding year of \$286,897.35. In view of the special grant by the World Service Commission last July to the Board of Foreign Missions, which has totaled \$62,500 in the last five months, the question arises as to why the Board's share is not larger. It will help if we will consider this matter from two main standpoints -- first, the income of the Board from World Service and, second, the income from other sources.

We must take into consideration that the expenses of the Million Unit Fellowship for the seventeen months ending October 31, 1937, were \$130,855.12 of which \$7,717.75 represents obligations contracted prior to November 1, 1936. This was all paid within our fiscal year and was a first charge against income before any increase was available for distribution to the Boards. This leaves an increase of \$156,000 in round figures for distribution.

It will be recalled that at the close of the last fiscal year the Board faced a deficit of over \$60,000. This was overcome in part by a special grant of \$30,431.32 from the World Service Commission which was the amount we estimated the Board had lost up to October 31, 1936, on account of the General Conference legislation concerning designated gifts. By agreement with the Commission and by vote of the Board, this amount was included as a part of the Board's receipts of October, 1936, although the money was actually received after November 1, 1936. The reported income for 1936, therefore, was increased \$30,431.32 above the actual amount received.

In order for the Board to break even this year, it was necessary that World Service income, after November 1, 1936, should make possible two things:

1. It had to increase by \$30,431.32 to make up this special grant before there could be added distribution to any Board.

2. On top of this, it had to have sufficient additional income so as to provide this Board with \$30,431.32 more before any increase over 1936 would be reflected in our income.

Perhaps this illustration will help. Let two lines, each one foot long, represent the income for 1936 and 1937. The 1936 line is not long enough and a half inch is taken off of the 1937 line and added to the 1936 line. The 1936 line is then twelve and a half inches long and the 1937 line is eleven and a half inches long. In order to bring the 1937 line up to the length of the 1936 line it is necessary to add not the half inch that was taken off, but twice that amount, or a full inch.

Another factor in our receipts is the effect of the 1936 General Conference legislation concerning designated gifts and the action of the World Service Commission in July, 1937, on the distribution of World Service receipts. The table which follows reveals the distribution on apportionment of World Service receipts over a period of three years.

Distribution of World Service on Apportionment Receipts
November 1st to October 31st, 1934-37

<u>Cause</u>	1934-5	%	1935-6	%	1936-7	%
Foreign						
Missions...	\$1,028,132.86	35.35	a\$1,010,554.72	34.58	b\$1,056,426.90	34.32
Home						
Missions...	978,766.41	33.65	997,598.55	34.14	994,084.98	32.29
Educa- tion.....	487,870.30	16.77	496,813.99	17.00	541,640.90	17.60
Theol.						
Schools....	67,372.96	2.31	67,879.23	2.32	73,281.74	2.38
Temper- ance	73,818.03	2.54	73,730.56	2.52	101,781.27	3.31
Bible						
Society....	35,511.89	1.22	38,782.17	1.33	43,298.93	1.41
Hospi- tals	100,165.26	3.44	100,039.18	3.42	108,741.40	3.53
Pensions& Relief.....	51,250.00	1.76	51,250.00	1.76	57,916.65	1.88
Study						
Courses....	40,000.00	1.38	40,000.00	1.37	40,000.00	1.30
World						
Service....	43,686.02	1.50	42,605.75	1.46	40,623.61	1.32
Federal						
Council....	2,250.00	.08	3,000.00	.10	2,250.00	.07
World						
Peace.....	----	----	----	----	18,250.00	.59
	\$2,908,823.73	100.00	\$2,922,254.15	100.00	\$3,078,296.38	100.00

Million Unit Fellowship Expense

c130,855.12 ----

\$3,209,151.50

a Includes \$30,431.32 voted by the World Service Commission November, 1936, applied by the Board on its October, 1936, Receipts.

b Includes \$62,500--special grant from World Service Commission.

c Of which \$7,717.75 represent obligations contracted prior to Nov. 1, 1936.

It will be noted, first of all, that even though the Board received in 1937, \$28,294.04 more than it did in 1935, the percentage of World Service receipts distributed to the Board in 1937, was 1.03 less than in 1935 and .26 less than in 1936.

The action of the World Service Commission last July, in making a special grant to the Board, while greatly appreciated, did not yield enough to overcome, in the first five months of the World Service fiscal year, the disadvantages resulting from the designated gift legislation. The special grant may, at the close of the World Service fiscal year, May 31, 1938, be sufficient to overcome this loss.

A second table shows the distribution of World Service Additional Support receipts for the present fiscal year, which must be added to give our complete picture. No comparison is possible because this additional support voucher plan has only been operating for fourteen months.

Distribution of World Service Additional Support Receipts
Nov. 1, 1936, to Oct. 31, 1937

		%
Board of Foreign Missions.....	\$40,588.01	61.14
Board of Home Missions.....	14,450.80	21.77
Board of Education.....	8,951.54	13.48
Theological Schools.....	1,963.00	2.96
Board of Temperance.....	324.09	.49
American Bible Society.....	110.00	.16
	\$66,387.44	100.00

These tables show clearly that one of the reasons why the Board did not have a larger increase in its income this last year is because it did not receive as large a percentage of World Service receipts as it did in 1935 or 1936.

Turning now to income from "Other Sources," it will be recalled that the balance of our deficit, about \$60,000 in 1936, was met by the application of \$30,000 received from legacies. In addition, we had a gift of \$10,000 conditional on its being matched by other gifts, which appeal brought in over \$20,000.

The income from legacies this year, available for the Regular Appropriations, was \$6,000 less than last year. While the special gift of \$10,000 was received again this year in October, half of it was designated for a non-recurring property item so that only half was available for current expenses. The October appeal this year brought in more than \$17,000 but without the conditional offer and without the urgency of keeping the Board from a further deficit, the receipts fell nearly \$5,000 short of the preceding year.

The total result is that the income from "Other Sources," \$164,263, was \$22,000 less than last year. Considering the average, this is a good income from "Other Sources," more than was received in 1934 or 1935. Before the receipts as a whole, however, could show an increase, \$22,000 of World Service money had to make up the losses in receipts from "Other Sources."

The result of all this was that the Board's income for the month of October, 1937, applicable to the Regular Appropriations was \$63,213.13 less than it was in October, 1936, which reduced greatly the year's increase.

The total receipts applicable to the Conditional Appropriations were \$436,652.35, an increase of \$33,949.70. There is an actual decrease in World Service gifts applicable to the Conditional Appropriations largely because of the difficulty missionaries had in securing funds for their outgoing expenses after the Million Unit Fellowship subscriptions had been taken. The chief increases are in designated legacies, income from the Swope-Wendel Fund and the miscellaneous income for property items.

A summary of receipts applicable to the Regular Appropriations and to the Conditional Appropriations shows a total of \$1,399,734.94, an increase of \$91,294.47.

Disbursements

The Executive Committee at its October meeting gave consideration to the use of any increased income that might be received in 1937, and authorized payment of certain necessary expenditures above the appropriations, including some accumulated obligations of previous years, and directed that the balance be applied on the Board's debt.

The interest requirements proved to be more than was anticipated when the appropriations were made last year. The total amount paid was \$24,953.74, or \$2,453.74 more than the appropriation.

The amount available for missionary support, including \$25,000 of the Emergency Fund, the use of which was authorized by the Board last year for missionary support, amounted to \$501,316. The disbursements were \$533,043.99, showing that \$31,727.99 were required last year for Missionary Support beyond the provisions of the appropriations. In the main this was due to two causes:

First. No provision having been made in the appropriations this year for the outgoing travel expense of missionaries on furlough, they were asked to raise these funds by personal solicitation. They found this increasingly difficult as the year went on. Pastors said that their people had increased their giving through the Million Unit Fellowship Movement, and that the Board ought to provide outgoing expenses from this source. The people in turn said that because of their increased giving they could not respond to an added appeal for outgoing expenses. As the summer approached which is the period of the largest number of sailings, the Executive Committee reached the conclusion that it was better for these missionaries to return to their tasks than for them to be detained in this country to raise their outgoing expenses. The Committee voted that amounts which had not been secured for this purpose be paid out of any possible increased income for the year and charged to Missionary Support. The total disbursed for the outgoing expenses of missionaries was \$50,204.66. Of this amount the missionaries raised in special gifts, \$34,120.29 and the balance, \$16,084.37, was charged to this appropriation.

The second cause for this added expenditure was certain emergent situations which arose on the field, requiring the homecoming of a few missionaries. As the Executive Committee faced the urgency of these situations, they authorized the return and voted that the cost be charged to the appropriations of 1937, if possible; otherwise, that they be a charge against 1938. It was possible to pay all of these costs, amounting to \$16,771.36, in 1937 and there is, therefore, no carry-over of such items for 1938, as we have had in previous years.

The Co-operation Fund was over-expended by \$2,341--first, because of a conditional obligation to the Foreign Missions Conference which was not included in the appropriations and, second, because the appropriations fell short of meeting actual service rendered to the Board by the Associated Medical Missions Office. These were prior obligations in co-operative enterprises which the Board could not disregard when funds were available.

The appropriation for Administration was over-expended by about \$3,000, the chief causes for which are travel, postage, and the expense of Board and Committee meetings.

We needed for Informing the Churches about \$12,000 more than the amount appropriated. The urgent needs were for more literature and added church visitation, both due to the new interest developed by the Million Unit Fellowship Movement. Due to the same cause, the co-operative enterprises of the various Boards centering in Chicago have over-expended the amounts appropriated.

Having cleared off the above items there remained \$4,323.19 of surplus which was applied to the Board's debt.

THE SPECIAL GRANT OF \$150,000

It would be difficult to overstate the appreciation which the Board feels for the relief that came through the special grant made a year ago. In view of general world conditions, especially in the Far East, and the marvelous Christian opportunities in India, this action was Christian statesmanship of the highest order. The Board, at its annual meeting, after reviewing the work of the special Committee on the Study of the Ratios and the Report of the last session of the World Service Commission, took the following action:

"On the basis of such a varied and thoroughgoing procedure the Committee on the Study of the Ratios made a report to the World Service Commission in 1937. That report, so made, has been brought for information before this Annual Meeting of the Board of Foreign Missions at Chicago and will be printed in our records as the mature, reasoned, and unanimous judgment, faithfully adhered to, of the men, all of them independent of the respective Boards, to whom this Study of Ratios had been committed by the World Service Commission. The judgment of these men was based on long and objective scrutiny of the many factors and considerations entering into the complex problem under review.

We have noted these emphases in their report which bear significantly on foreign missions as one phase of the benevolent activities of our Church.

We are convinced that these emphases have pertinence for the future of our work as well as for the present. We are deeply grateful (1) for the painstaking and patient scrutiny given to the work of this Board by the Committee on the Study of Ratios; (2) for the consideration of our needs by the World Service Commission as given both on the basis of the report of the Committee on the Study of Ratios and on that of the usual presentation of facts and trends by our officers; and (3) for the constructive action taken in providing a preferential grant to this Board for the current World Service year, a grant that is being faithfully used in accord with the strong advice included in the vote of the Commission. Further, we are of the conviction that for this elaborate process as undertaken and carried out by the Commission and its special Committee on Study of Ratios the whole Church should be grateful. Moreover, the inclusive and thoroughgoing presentation of the Board's position, and the facts and interpretations involved therein, must constitute the essential basis of the Board's case for the period ahead."

It will be recalled that during the last session of the World Service Commission when the proposal of a special grant for the Board of Foreign Missions was being discussed, the Corresponding Secretaries definitely stated that additional funds were needed not only to help reduce the Board's indebtedness but also to keep the current work of the Board going without further curtailment.

The Report of the Treasurer regarding disbursements shows in detail how the total resources of the Board, including the five-twelfths of the special grant which was paid during the last fiscal year, were used. The other seven-twelfths is a part of the receipts of the current year and detailed report of disbursements cannot be given at this time. There have been, however, certain accomplishments during the twelve months which ought to be enumerated without reference to the detailed finances involved.

1. We were able to close the fiscal year without a new deficit.
This statement need not be amplified.

2. We made a substantial reduction on our debt. This is shown by the payment of \$22,191 in 1937 and by placing in the appropriations for 1938 an amount fixed by an agreed-to schedule for the amortization of the deficit of 1931--namely, \$54,069.

3. We rendered extra cooperation in World Service cultivation. The reasons for this are discussed in the Treasurer's Report, printed above. The unusual demand for literature and concrete information about Foreign Missions could never have been met without the additional funds available.

4. We freed missionaries to return to their tasks. There were at home on furlough a large group of missionaries who would not have returned to their fields of service in 1937 had the Board not had this additional income to help provide their outgoing expenses and their salaries.

5. We sent out a few well-qualified missionary replacements. This is the first time in many years that a significant group of young, finely-equipped missionaries has gone to the field. The Board is now

receiving letters from various fields indicating what it means to have the depleted and rapidly-aging ranks reinforced by a few vigorous, forward-looking young missionaries.

6. The morale of the missionaries has been strengthened. Foreign missions in common with other World Service Agencies had suffered decrease after decrease in the amount of money available for its work. The effect of these continual reductions on the foreign field was peculiar in that it created a sense of insecurity and thwarting of life purpose among those who had trusted themselves to the church for service outside of their home lands. They never knew, when they came on furlough, whether or not they would be returned to their fields of labor or cast adrift after middle age or later, unable to make adjustments to earn a living in already over-crowded professions. Though salaries were not restored and appropriations were not increased the morale of the missionaries was re-established by this special grant. They gained a new confidence and a new hope that the cause for which they had given their lives was once more recognized by the church through the World Service Commission.

However, to get a complete picture we must point out some of the things that we were not able to do. We mention only four.

1. We have not maintained our missionary staff at the level of a year ago. The new missionaries sent out have not been enough ever to meet replacement needs. We not only applied what World Service funds we could for this purpose but we made a special appeal in October for additional money. This appeal resulted in the receipt of \$17,000 for the sending out of new missionaries. Many of these gifts were acknowledged with "On Apportionment" vouchers at the donors' request, thus increasing the general World Service income.

Even with the replacements already referred to, the Commission should note that the total number of missionaries is less than we had on November 1, 1936.

2. We have not been able to make adequate appropriation for the outgoing expenses of missionaries. The estimated amount needed for outgoing during 1938 was \$45,000. The appropriations included \$11,400 for this purpose, leaving \$33,600 to be secured from various sources.

Our missionaries, with the cooperation of the Corresponding Secretaries and other members of the Staff, members of the Board and friends, have addressed themselves to this urgent need since the beginning of this fiscal year. Many churches and individuals have responded generously and gladly but we are still \$22,000 short of the estimated amount needed for the balance of this fiscal year.

It is increasingly difficult to secure money for this purpose. Churches having increased their regular giving are not hospitable to another appeal for funds, and if such funds are raised the pastors are naturally expecting "On Apportionment" vouchers to help them meet their Million Unit quota. To have our missionaries begging from place to place for their outgoing expenses is an imposition upon them and a continual source of irritation to the Church.

3. We have not yet been able to adjust salaries. The salary scale for the missionaries of our church is below that of most of the larger denominations, including that of the Methodist Episcopal Church, South. The same situation pertains to the salaries of the officers and the home office staff.

4. Missionary Support from the Emergency Fund. The constitution of the Board requires an annual appropriation of an emergency fund of not less than \$50,000. In the stress of recent years it has been found that the greatest emergency which the Board faced was the support of its missionaries, and half of that fund has been assigned to missionary support during the last two or three years. This leaves only \$25,000 to take care of emergency appeals that come to the Secretaries in almost every foreign mail. It is a totally inadequate amount to take care of the widespread work in various countries. It is the only fund in the appropriations from which we can get money for property repairs and the normal depreciation has brought some of our properties to a condition where they are becoming unusable and dangerous to life and health. From this fund also must come appropriations to restore damages caused by typhoon, hurricane, flood, and fire. It is also the fund from which we pay grants to missionaries who have had unusual sickness, which items in recent years have gone unpaid for many months. The present policy is contrary to good administration and should not be continued another year.

THE BOARD'S DEBT

The Board has not been unmindful of the Corresponding Secretaries' promise, made to the Commission a year ago, that it would reduce its debt as much as possible, but that statement must always be linked with the statement that additional money was needed to keep the current work of the Board going without further curtailment. However, we are happy to report that the increased regular income, plus the special grant, did enable the Board to appropriate for its debt in 1938, \$54,069. One-twelfth of that amount has been applied on the debt monthly since November 1, 1937.

Furthermore, the purpose of the Board to reduce its debt just as much as possible can be substantiated by comparing the appropriations for 1937 with those of 1938. The regular appropriations, that is excluding designated gifts, were increased \$60,000. Of this more than half, \$36,200, represented increased appropriations for the debt. \$8,710 was used to enable the Board to carry out its new pension plan for staff and missionaries. Approximately \$11,000, as already indicated, was used for outgoing expenses of missionaries. The balance of \$4,090 was used to take care of a few emergencies.

This attitude is further substantiated by another factor. The Board's income from legacies since November 1 has been unusually large. We have not applied any of the increase to work appropriations but we have applied a considerable amount to the reduction of the debt. One item in the Board's deficit was caused by decreased income in 1935, amounting to \$69,553.01. This entire amount has been paid from the increased income from legacies. On May 31 the Board had made seven monthly payments on account of its appropriation of \$54,069 toward the debt, amounting to \$31,542.25. During the last fiscal year there was applied on the debt

from the appropriations, as already indicated, \$22,191. These three items added together make a grand total of \$123,286 which has been applied on the indebtedness of the Board since October 31, 1936.

We submit these three statements; namely, FINANCIAL OPERATIONS OF 1937, THE SPECIAL GRANT OF \$150,000 and THE BOARD'S DEBT, as a complete substantiation of two major assertions made a year ago; namely, that the Board needed increased funds to carry on its current work without further reduction and that it would apply every dollar possible to the liquidation of its indebtedness. We sincerely believe that it also shows the need of continued reinforcement of the Board's work by an equal or larger amount.

THE NEW SITUATION IN THE FAR EAST

Since the presentation of the Board's statement of 1937 Japan has invaded China and one of the major events of our generation, and certainly one of the most tragic, has been unfolding. In each of these two great countries representatives of our own Church, those of the other two Methodist Churches now entering with us upon unification, as well as missionaries of various other of the great communions, have long been at work. With the religious future of the massed populations of the Far East who are now in the grip of bloody conflict the whole Christian Church is inescapably concerned, and the sense of vast issues in the balance rests heavily on the whole of Christendom. The nature of these issues probably nowhere has been more poignantly expressed than by Dr. Francis Wei, of Hankow, one of the outstanding Chinese Christian leaders of today. In a radio broadcast to America, later reported in the Chinese Recorder for March, 1938, Dr. Wei said, in part:

"I don't believe that the Japanese people have wanted this war. They have no enmity against the Chinese. In the long history of Sino-Japanese relations, no Chinese soldier has ever trod Japanese soil. Culturally there has always been the best of relationships. In spite of conflicting reports, therefore, I still prefer to believe that at the bottom of their hearts a large majority of the Japanese people are supporting this aggression in China only unwillingly. Surely many of the Japanese Christians are agonizing over it as much as we are.

"The crushing of 465,000,000 people animated with a new national consciousness, fortified by a traditional stoic fatalism, and possessed with a determination to fight for their independence to the bitter end, is not such an easy matter. But this is a machine age. China is ill-equipped for modern warfare. Human flesh cannot resist mechanized forces. One battle after another Japan will win. But Japan may win all the battles and fighting will not come to an end. There will be bitterness, hatred, guerrilla warfare, all over the country, chaos and misery, wretchedness, suffering, endless bloodshed. Can the Christian Church wash her hands of the whole business and pass by on the other side of the road with 465,000,000 souls at stake?

"Suppose Japan should collapse from within for some political or economic reason. It is quite within the range of human possibilities. This is not the wistful thinking of a Chinese patriot. It is the dread

of a humble Christian. You will then find disillusionment, despair, desperateness all over the Island Empire. Can Christianity not offer the only balm of a wounded national soul?

"Suppose again. If both nations should be exhausted before the end of the war, which cannot easily come to an end, both China and Japan will be exposed to the most radical ideas now tormenting the world. Will the Christian Church abdicate in the Far East?

"No, the Church is not going to lie low in China even though war may continue there indefinitely. The Church must redouble her staff and her strength in order to cope with an unprecedented situation in both China and Japan.

"My fear is that either China or Japan if victorious will be faced with the danger of fascist dictatorship, tending to totalitarianism. Vanquished, Japan or China will surely turn left. In either case the Church has a big problem on her hands.

"Christians everywhere must try to be with the Chinese and Japanese Christians in suffering and in prayer, so that they may experience more deeply the world-wide Christian fellowship in their days of affliction and tribulation.

"We must do our best in our missionary efforts to strengthen the Christian element in Japan which is growing but not to the extent as yet to make itself articulate enough to be heard at this time. We must do our best also to encourage and cheer the Christian element in China, now beset with dangers and temptations, burdened with sorrows and perplexities. Let us hope and pray that the Japanese and Chinese Christians may serve as the leaven to give a new life to the nation now at war and that the wrath of man may be turned to His glory.

"In face of such a terrific situation, not only in the Far East but in the whole world, whatever we Christians may be able to do seems a drop in the bucket. But I always say that that drop may change the color of the whole bucket, because it is God's drop."

Our China missionaries, like those of other boards, have stayed on the job. Of a total of 3187 missionaries of thirty-seven North American Boards at work in China, only 347 have left the field. Those who could truly serve by staying have stayed, and great is the story of their ministries in this day of China's tribulation. The first faint outlines of possible post-war strategy on the part of missions have not yet emerged, for the outcome of the struggle cannot yet be surely discerned. However, the dramatic announcement in March that Chinese government restrictions against the teaching of religion in Christian schools would be lifted, this because of the notable service of missionaries in relief of suffering during the war period, is a strong indication that Christianity is to confront vast new opportunities in China in the days ahead. If these enlarged opportunities of the future are to be seized as they appear, every occasion for sustaining and strengthening the Christian positions now held must be fully utilized. These present occasions, quite apart from meeting unspeakably urgent relief needs, are far too numerous and too insistent to be met on the basis of our available resources.

THE SITUATION IN INDIA DEVELOPS INCREASING
AND UNEXAMPLED URGENCY

Attention is called in the Statement of 1937 to distressing aspects of the situation in India. Since that Statement was laid before the Committee on Ratios of your Commission Rev. Thomas S. Donohugh, Associate Secretary of the Board, has returned from a year of thoroughgoing study of our work in India, and reported to the Board at its meeting in Chicago in November last. The complete report is found in the Journal of the Board meeting, a copy of which is submitted with this Statement. Glimpses of the situation as set forth in this significant field study are given herewith:

"In eighty years, the lifetime of some still with us, our Church has occupied and spread throughout this great field until we now have eleven annual conferences, a membership (including baptized children - 165,005) of 525,816. This is approximately equal to the total in all other foreign fields. It equals 11.8% of our membership in the United States. It approximates 13.8% of the total Protestant membership of 3,800,000 in India and slightly less than 8% of the total Christian community of 6,500,000. These statements are made not in any spirit of boasting. They rather show the responsibility which rests upon us Methodists to build a church worthy of the name of our Christ. They also suggest the extent of our share in the vastly larger movements which are immediately impending, and which in bulk and in potential influence are greater than those found anywhere else in the world today.

"To share this great responsibility our Board now has in India and on furlough only 71 men and 73 women. This is a reduction of 27 from the number on the list in 1900, when our membership was reported as 85,565. Meanwhile the number of Indian workers supported has increased from 1,454 to 4,371. The students in schools have decreased from 41,354 to 37,775. The Sunday schools show a small increase, from 95,648 to 100,976. Our Board should know that we are considered by many leaders in other Churches in India to have fallen short in meeting the responsibilities we have undertaken. It is due them, and our own Indian Christians, that we increase materially our funds, and workers of all classes. These are required not only to shepherd the present flock, but also to prepare the way of the Lord for the multitudes already pressing into the Kingdom, the forerunners of the uncounted millions who will follow if we are faithful to the trust committed to us.

"No other Church has spread more widely, occupied more territory, gathered in more people in the same period, or suffered more in loss of workers and income. Individual missionaries try to cover territory larger than some of our States. Indian workers struggle to carry the word to a hundred scattered villages....

"Several of the strongest leaders of other Missions and Churches in India urged me to see if something could not be done to correct the unsatisfactory conditions in parts of the United Provinces where our Church has had the largest ingatherings in former years....

"The strengthening of the work among the present rather weak and scattered Christian communities, and the careful distribution of all availa-

ble forces so as to cover the territory most effectively, will do much to lay foundations for the new movements which are already under way, and which will be simply overwhelming if better foundations are not laid at once. No more pressing obligation faces the Board with reference to its work in India than this....

"What has been said concerning the largest movement in the United Provinces applies in varying degrees to the mass movements in other parts of India, some of which have been greatly weakened by the withdrawal of missionaries and national workers in recent years. Those who have had the largest experience in dealing with such work in the past will be called upon for a proportionately large share of the responsibility for the future."

The Rev. Walter J. Noble, general secretary of the Methodist Missionary Society of Great Britain, visited India in 1936-37, as did Dr. Donohugh. Mr. Noble has published a booklet entitled "Flood Tide in India," which appeared since the last meeting of your Commission. From the last chapter of this brochure those paragraphs are taken:

"It is not too much to say that the position which we are facing to-day (in India) is so unprecedented in Christian history that it constitutes a challenge to unprecedented action. It is obvious that it cannot be met by ordinary methods or from ordinary resources....

"It is, of course, unquestionably true that the mass movement has its risks and even its perils.... It is not difficult to imagine circumstances in which the whole enterprise would become a serious liability and even a danger to the Church. If there is slackness about the reception or the nurture of converts, if the standards of Christian conduct are not strongly and even severely maintained--if, in a word, the movement gets out of hand and beyond the Church's proper control, then the end might be a disaster which cannot be contemplated without utter dismay. It would damage the Church and the whole life of India for generations, and it would have its repercussions throughout the world and in every land.

"The greatest peril of all, however, is that this movement should be neglected or turned aside. It is abundantly evident that the Depressed Classes of India are on the move. Those of them who are moving in any given direction are moving towards the Christian Church, and they are being joined by several thousands more every week. If they are adequately cared for, then no limits can be set to the triumph of Christ in India within the next two or three decades. But it is necessary to remember that if the tide which is taken at the flood leads on to fortune, no less true is it that if it is neglected,

all the voyage of our life
Is bound in shallows and in miseries.

For this is the Day of the Lord, and we have no shadow of excuse if through sloth or lack of vision or refusal to cooperate with Him, we fail Him in this day of supreme opportunity.

"It is difficult to see how any man or woman who bears the Christian name can be unmoved by this. Our Lord has given His Church a harvest beyond all our dreams, and calls us to go in and reap. It cannot be that

what is happening is beyond His purpose, that the present situation has overshot His desire. Therefore it must be His will that through His Church it should be met. On the face of it, the thing is impossible. It demands far more resources than are in sight. But then, that has been true of the Christian adventure all through the ages.

"But it should not be supposed that the demand upon us is only one for larger gifts of money. What is required is that we should see that this is, in the strictest sense of that overworked word, a day of crisis, a turning point in the Christian history of India, a tide in its affairs which, taken at the flood, may lead on to such fortune in the growth of the Kingdom of God as has never been possible or contemplated before. But if that is to be, it calls for no less self-examination and re-dedication in the Church at home than those to which the Indian Church has set itself. Until these have been undertaken, with complete honesty, we have no right to say that the task is beyond us."

THE HEART OF THE WHOLE MATTER

With the basic statement of 1937 recapitulated and re-emphasized, with the financial operations of the Board for 1937 reviewed in detail, with no easement of pressure on the Board's resources from any of the great areas of the world to which our missionaries go, confronted as it is by new and unthinkable grievous conditions in China and also by such rapidly growing and almost unimaginable problems--opportunities in India, the Board must end its statement for 1938 as it did that for 1937, for the situation still holds:

"Along with other outstanding Christian bodies, the Methodist Episcopal Church may now be, indeed assuredly is, facing a major decision--whether to loose its life in trying to save its life, or to save its life through losing it in an effort to render high service of a world-wide character in a tragic period of human history. Telling arguments for salvaging and supporting church enterprises and values within our national borders most assuredly can and should be marshalled, and facts numerous and pertinent sustain these home emphases. Nevertheless, 'there is that scattereth and yet increaseth; there is that withholdeth more than is meet.'

"The basic issue is this: Under such conditions as those now confronting the home Church just how does the law of growth of the Kingdom of God work? Just what investment of our life and treasure in other lands now will assure, indeed is absolutely essential to, the soundest, truest, most vital life in our home churches at this hour? An answer to this question ought not, must not, involve special pleading for either home or foreign enterprises, but such an answer does require the most penetrating discernment as to the nature and method of spiritual functioning of a dynamic and creative sort under the present religious situation in the United States, living as we inescapably do in an interrelated and interdependent world.

"The external relations and the external and internal interests of the peoples and countries of the world of today have become so inextricably intertwined that the effect of all the rapid and colossal changes we witness

today is far swifter and more thorough-going than we have been accustomed to twenty-five years ago. One of the most dangerous and solemnizing aspects of our present day is perhaps that, on one side, the heavy strain and stress of everybody's special situation, packed with urgent economic, social and political problems and issues, seem to drive irresistibly toward an intense concentration on self-centered absorbedness in one's own interests and problems; whereas, on the other side, to view all situations and problems from the angle of our world-wide inter-relatedness and of our being partners in a common world-destiny, cries for minds that are bent on the urgent necessity for a world-outlook. Particularism or universalism is one of the most decisive alternatives in our present-day world.' That is from an outstanding Christian scholar, one of the greatest of our day, Dr. H. Kraemer, of Holland and the Dutch East India, writing in 'East and West; Conflict or Cooperation' (1936).

"Somehow the spiritual sense, intuition, and understanding of the leadership of the Church must discover whether it is a quality or type of prudential protective procedure on behalf of our Church at home that is now most needed, or some high spiritual adventure entered upon at great risk, and perhaps even at the cost of seeming jeopardy, to values here in America by which we set high store. Indeed, if a protective procedure is to be entered upon, just what are the values and where the frontiers that are to be guarded? How far afield and how far ahead should we look in developing our protective strategy? What are the ultimate concerns that really matter now, and that will continue to matter?

"It is not for the Board of Foreign Missions, members or secretariat, to make answers for the Church. But with political nationalism so rampant, how shall the Church point the way, if world vision is lacking, if narrowness of outlook leads to failure to discern the meaning of this hour? Clearly, the Church at home must be saved, and we must discern what it is that will save the Church, now and for the years to come.

"On the answer to that question of all questions by the World Service Commission, the Board of Foreign Missions must and will stake its case. But the question should be faced forthrightly and without reservations now, for destiny will not endure dallying."

ADDITIONAL INFORMATION

LYBRAND, ROSS BROS. & MONTGOMERY
Certified Public Accountants
90 Broad Street
New York

November 17, 1937

BOARD OF FOREIGN MISSIONS
OF THE METHODIST EPISCOPAL CHURCH
150 Fifth Avenue, New York, N. Y.

Dear Sirs:

We have examined the accounts of the treasurer, as maintained at the home office in New York, as at October 31, 1937, relating to the following funds:

BOARD OF FOREIGN MISSIONS OF THE
METHODIST EPISCOPAL CHURCH:
General Fund
Permanent Fund
Annuity Fund
MISSIONARY SOCIETY OF THE
METHODIST EPISCOPAL CHURCH:
Annuity Fund

Cash on hand was counted and balances in banks were confirmed by direct correspondence with the respective depositaries; securities owned were accounted for either by inspection or by certified lists received from the custodians thereof.

The investments of the several funds in stocks, bonds and mortgages are shown on the annexed statements at cost and/or at amounts at which recorded on the books. We have not attempted to determine the amounts of such investments at market quotations at October 31, 1937, as we were instructed not to do so because, we understand, your investment advisers submit quarterly reports on the current market quotations. Also, we are not in a position to express any opinion as to the losses, if any, which may be sustained on investments in mortgages, real estate (which includes properties acquired through foreclosure proceedings), loans and advances to the Board's institutions and advances to missionaries, etc., which are shown at the amount appearing on the books. Mortgages on real estate aggregating \$1,744,538.37 at October 31, 1937 included \$493,436.30 on which some interest is in arrears. The amounts shown in the accompanying balance sheets are not intended to represent realizable values.

A material portion of the expenditures for account of foreign missions represents remittances made from New York for designated purposes but actually disbursed by mission treasurers in the various countries in which the Board carries on its work. The accounts kept in the foreign fields have not been examined by us.

Based upon our examination of the accounts, and subject to the absence of provision for losses, if any, on investments, loans and advances, etc., as mentioned above, the accompanying balance sheets of the respective funds, in our opinion, set forth the condition of the funds as at October 31, 1937.

Very truly yours,

(Signed) LYBRAND, ROSS BROS. & MONTGOMERY

BALANCE SHEET

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

Year Ending, October 31, 1937.

All real estate, invested funds or securities of whatever kind belonging to the Board should be listed
in the assets and all outstanding obligations shown in the liabilities

GENERAL FUND

ASSETS

Cash in banks and on hand, including final remittance subsequently received from World Service for the period ended October 31.....		\$223,208.39
Amount receivable from World Service Commission.....	
Securities and real estate acquired by legacy or gift at amounts recorded on books:		
Stocks.....	\$58,209.03	
Bonds.....	14,232.78	
Mortgages on real estate.....	50,351.28	
Real estate:		
Designated.....	31,566.00	
Undesignated.....	291,620.25	445,979.34
Other Boards' interests in securities and real estate..... (contra)		55,650.23
Notes receivable.....		91,207.27
Accounts receivable:		
Travel advances.....	1,909.56	
Sundry items.....	19,533.68	21,443.24
Advances to Finland Conference.....		170,870.69
Advance, Shanghai property.....	
Advance, Italy.....		19,871.11
Loans and advances:		
Board's institutions in United States.....	242,491.13	
Advance remittances to missionaries.....	3,975.21	246,466.34
Deferred items:		
Advances to missions on next year's appropriations....	6,716.24	
Purchase of Mexican property..... (contra)	60,000.00	
Interest in Malaya property allocated to Board (contra)	20,000.00	86,716.24
		<u>\$1,361,412.85</u>

Note.- This balance sheet does not include the value of physical property of the Board in the fields or inventory of office furniture and fixtures at headquarters.

BALANCE SHEET

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

Year Ending, October 31, 1937

All real estate, invested funds or securities of whatever kind belonging to the Board should be listed
in the assets and all outstanding obligations shown in the liabilities

GENERAL FUNDLIABILITIES

Obligations outstanding:		
Bills of exchange.....	\$69,863.22	
Branch treasurers' credits.....	<u>96,662.64</u>	\$166,525.86
Notes payable:		
Banks.....	375,000.00	
Individuals, Annuity and Permanent funds.....	<u>132,123.52</u>	507,123.52
Accounts payable:		
Due to missionaries.....	36,617.03	
Funds held in abeyance:		
Personal, subject to call.....	142,552.51	
Designated gifts not covered by appropriations.....	87,453.50	
Subject to call of missions.....	278,268.74	
Special China funds.....	160,000.00	
Miscellaneous.....	40,899.48	
Purchase of Mexican property:		
M. E. Church, South.....(contra)	40,000.00	
Other loan fund.....(contra)	20,000.00	
Malaya Conference.....(contra)	<u>20,000.00</u>	825,791.26
Legacies and gifts held in abeyance, net of expenses in connection with administration of unsettled estates.....		393,387.43
Other Boards' interests.....(contra)		55,650.23
Deficit:		
Balance, beginning of year.....	609,997.86	
Excess of income for year.....	4,323.49	
Application on current work debt, 1931.....	17,868.00	
Adjustment of current work debt, prior years from sale of properties in the fields.....	
Application on Attleboro Springs deficit.....	<u>740.92</u>	597,065.45
		<u>\$1,361,412.85</u>

Note.- The Board is contingently liable as accommodation endorser for North China Mission for Peking University property purchased, \$50,000. Figures in red type indicate deficit.

BALANCE SHEET

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

Year Ending, October 31, 1937

All real estate, invested funds or securities of whatever kind belonging to the Board should be listed
in the assets and all outstanding obligations shown in the liabilities

PERMANENT FUNDASSETS

Cash Capital.....	\$214,273.49
Cash Income.....	54,181.04
Investments, at cost and/or amounts at which recorded on books:	
Stocks.....	627,504.88
Bonds.....	1,292,643.03
Real estate mortgages.....	1,275,184.52
Real estate.....	183,587.00
Notes receivable.....	
Loans on mission properties.....	98,552.36
Loan to General fund.....	105,000.00
Rindge fund, investment in missionary literature.....	2,500.00

\$3,853,426.32

LIABILITIES

Balance of fund at beginning of year.....	\$3,261,543.22
Add: Increase for year.....	535,209.72

*3,796,752.94

Add: Deferred portion of profit on investments.....	2,492.34
---	----------

3,799,245.28

Surplus:

Unexpended income for future distribution by finance committee.....	30,730.81
Unexpended income from Swope-Wendel Estates.....	23,450.23

\$3,853,426.32

*\$575,000 of these funds have been designated by the Executive Committee
as unrestricted as to investment.

BALANCE SHEET

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

Year Ending, October 31, 1937

All real estate, invested funds or securities of whatever kind belonging to the Board should be listed in the assets and all outstanding obligations shown in the liabilities

ANNUITY FUND

ASSETS

Cash.....	\$24,257.94
Investments at cost and/or amounts at which recorded on books:	
Stocks.....	\$519,065.06
Bonds.....	694,723.92
Real estate mortgages.....	383,052.57
Loan to Stephens Apartments.....	20,000.00
Real estate, etc.....	1,401,411.29
Board of Home Missions' interest in property and mortgages.....(contra)	175,190.17
	<u>3,193,443.01</u>
Loans on Mission properties (assigned by the annuitants).....	13,000.00
Accounts receivable, agents.....	2,669.91
Accounts receivable, etc., others.....	13,608.02
Expenses and annuities paid in excess of income from investment of Annuity funds, etc., deferred.....	128,293.03
	<u>\$3,375,271.91</u>

LIABILITIES

Reserve for annuity agreements:	
Balance at beginning of year.....	\$2,554,838.51
Agreements issued during year at face amount.....	73,206.27
	<u>2,628,044.78</u>
Agreements lapsed during year at reserve amount...	\$78,742.33
Adjustment for payments to annuitants during year on outstanding agreements at October 31, 1937, in excess of income based on estimated yield of 4% per annum.....	83,918.21
	<u>162,660.54</u>
	<u>*2,465,384.24</u>
Special annuity agreements, etc.....	558,309.65
Lapsed agreements in properties, etc., undistributed.....	127,241.11
Mortgages payable.....	24,997.41
Board of Home Missions' interest in property and mortgages..(contra)	175,190.17
Accounts payable, personal accounts, etc.....	8,108.18
Receipts for which annuity agreements have not been issued.....	16,041.15
	<u>\$3,375,271.91</u>

*The policy was adopted as at October 31, 1935, of crediting to the reserve the full amount of the annuity gift when received and charging it each year with the amount by which the payments made to the annuitant exceed the estimated earnings based on a yield of 4% per annum.

CONSOLIDATED BALANCE SHEET

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

Year Ending, October 31, 1937

All real estate, invested funds or securities of whatever kind belonging to the Board should be listed
in the assets and all outstanding obligations shown in the liabilities

ASSETS

Cash in banks and on hand.....		\$515,920.86
Securities and Real estate:		
Stocks.....	\$1,204,778.97	
Bonds.....	2,001,599.73	
Mortgages on real estate.....	1,708,588.37	
Real estate.....	1,908,184.54	
		<u>6,823,151.61</u>
Other Boards' interest in securities and real estate.....(contra)		230,840.40
Notes receivable.....		216,207.27
Accounts receivable.....		37,721.17
Loans and advances:...		
Advance to Finland Conference.....	170,870.69	
Advance to Italy.....	19,871.11	
Advance to Board's institutions in United States.	242,491.13	
Advance remittances to missionaries.....	3,975.21	
Loans on mission properties.....	111,552.36	
		<u>548,760.50</u>
Investment in missionary literature.....		2,500.00
Deferred items		215,009.27
		<u><u>\$8,590,111.08</u></u>

This consolidated balance sheet prepared by the Treasurer of the Board for the use of the Committee on the Study of the Ratios.

Note:- This balance sheet does not include the value of physical property of the Board in the fields or inventory of office furniture and fixtures at headquarters.

BALANCE SHEET

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

Year Ending, October 31, 1937

All real estate, invested funds or securities of whatever kind belonging to the Board should be listed
in the assets and all outstanding obligations shown in the liabilities

LIABILITIES

Obligations outstanding:		
Bills of exchange.....	\$69,863.22	
Branch treasurers' credits.....	<u>96,662.64</u>	\$166,525.86
Permanent fund, capital.....		3,796,752.94
Reserve for Annuity agreements.....	2,465,384.24	
Special Annuity agreements.....	558,309.65	
Receipts for which agreements have not been issued.	<u>16,041.15</u>	3,039,735.04
Notes payable.....		507,123.52
Accounts payable.....		833,899.44
Mortgages payable.....		24,997.41
Legacies and gifts held in abeyance, net of expenses in connection with administration of unsettled estates.....		393,387.43
Other Boards' interests.....(contra)		230,840.40
Lapsed annuity agreements in properties, etc., undistributed.....		127,241.11
Deficit:		
General Fund.....	\$587,065.45	
less: Permanent fund, surplus income.....	<u>56,673.38</u>	530,392.07
		<u>\$8,590,111.08</u>

This consolidated balance sheet prepared by the Treasurer of the Board for
the use of the Committee on the Study of the Ratios.

Note.- The Board is contingently liable as accommodation endorser for North
China Mission for Peking University property purchased, \$50,000. Figures in
red type indicate deficit.

STATEMENT OF INDEBTEDNESS

of the

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

to the

WORLD SERVICE COMMISSION
METHODIST EPISCOPAL CHURCHFiscal Year Ending October 31, 1937

To Whom Indebted	Debt at Beginning of Fiscal Year	Debt at Close of Fiscal Year	Rate of Interest	Annual Interest Payment	Amount and Date of Interest in De- fault, If Any
Deficit, per auditor's balance sheet	\$609,997.	\$587,065	3%	\$17,900.	none
Notes payable:					
Banks	\$400,000.	\$375,000.			
Permanent fund	65,000.	105,000.			
Annuity fund	20,000.	20,000.			
Work & individuals	124,997.	87,065.			

Give complete statement of the Board's plan for the amortization of indebtedness on the opposite information page

Statement of
ANNUITY CONTRACTS

of the

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

to the

**WORLD SERVICE COMMISSION
METHODIST EPISCOPAL CHURCH**

Fiscal Year Ending October 31, 1937

Amount of Funds on Which Annuities Are Paid	Total Reserve Maintained for Annuities	Total Income from Reserves	Total Annual Payments on Annuities	Amount and Date of Annuities in Default, If Any
\$3,273,691.94	\$2,465,384.24	\$106,937.89	\$194,668.93	none

Give additional facts on opposite information page. State fully from what sources the balance paid to annuitants is obtained which is not derived from income from reserves

HOW ARE THE ANNUITY RESERVE FUNDS INVESTED?

Classification of Investments	Amounts in Each Class	Rate of Income	Amounts Which Are Non-Productive, If Any
Stocks	\$267,051.54		Some Real estate not productive at present
Bonds	634,261.15		
Real Estate Mortgages	378,402.57		
Real Estate	1,166,097.93		
Loan to Stephens Apts.	20,000.00		
Loans on Mission properties	13,000.00		
	<u>\$2,478,813.19</u>	Approximately 3 3/4%	

The net proceeds of all Undesignated Lapsed agreements are being transferred to the Reserve Fund to build it up.

The Board has special agreements of \$558,309.65 (book values) in addition to the above covering stocks, bonds, real estate, donated to the Board, on which we pay the net income as received. When these gifts are turned into cash a regular annuity agreement is issued.

INCOME FROM ALL SOURCES

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH
(Name of Board)

All income should be reported whether it is applicable to current budget or not.
List separately those amounts not applicable to current budget.

SOURCE OF INCOME	AMOUNT RECEIVED LAST COMPLETED FISCAL YEAR			TOTAL
	From World Service		From All Other Sources	
	On Ratio or by Fixed Payment	Additional Support or Honor Voucher Receipts		
FISCAL YEAR ENDING OCTOBER 31, 1937				
World Service, Undesignated	\$575,928.45			\$575,928.45
World Service, Designated	292,245.06	\$1,043.94		293,289.00
World Service, Parish Abroad	182,078.30			182,078.30
World Service, Additional Support		36,427.82		36,427.82
Estate Notes			3,518.53	3,518.53
Legacies			68,930.54	68,930.54
Interest, Permanent Fund			60,263.89	60,263.89
Swope-Wendel, Income			31,558.18	31,558.18
Miscellaneous			81,669.70	81,669.70
Non-Recurring			66,070.53	66,070.53
	\$1,050,251.81	\$37,471.76	\$312,011.37	\$1,399,734.94
Principal, Permanent Fund				535,209.72
Principal, Annuity Fund				73,206.22
Miscellaneous Relief				339.95
				\$2,008,490.83

49035

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

GENERAL COMMENTS ON ADMINISTRATION, PROMOTION AND PUBLICITY

It will be recalled that the Secretaries said a year ago that two of the most urgent needs facing the Board were to make an appropriation toward its debt, according to the schedule established, and to provide for the outgoing expenses of missionaries. The former desire was met completely, the latter only in part.

In order to accomplish this, the Board was compelled to cut rather radically its appropriations for administration and home cultivation. It will be noted that the total appropriated is \$10,000 less than the amount spent last year. However, when the inclusion of the Pfeiffer Reserve Pension Fund of \$5,250 is taken into consideration it will at once be seen that the reduction in funds actually available for work is fully \$15,000.

During the first six months of the year the Board has not been able to keep the expenditure for administration, promotion and cultivation within one-half of its appropriations. This is due to two reasons:

1. There were certain activities that were in process which could not be cut off abruptly. Some of this expense, naturally, was charged to this year.
2. The demands of the Church for the services of missionaries, moving pictures and certain types of literature made it impossible to reduce the expenditures for these activities.

The utmost economy will be observed during the balance of the fiscal year in order to keep these expenditures just as low as is reasonably possible.

ADMINISTRATION

I. EXECUTIVE

1. Corresponding Secretaries' Office

Salaries of the corresponding secretaries. (R. E. Diffendorfer and W. E. Shaw; salary of each \$3,800., house rent allowance of each, \$1,200.); stenographic help, traveling expenses for the general supervision of all work of the Board.

2. Associate Secretaries' Office

Salaries of associate secretaries. (T. S. Donohugh and F. T. Cartwright; salary of each \$3,080., house rent allowance of each, \$1,000); stenographic help, traveling expenses and office expense. The associate secretaries cooperate with the corresponding secretaries and under their direction aid in conducting correspondence with all the fields and the business related thereto. They are also engaged in the public presentation of foreign missions.

ASKINGS

of the

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

(Name of Board)

*to the*WORLD SERVICE COMMISSION
METHODIST EPISCOPAL CHURCHJune 1, 1938 to May 31, 1939

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
ADMINISTRATION, PROMOTION & PUBLICITY		
FOR HOME EXPENSES		
<u>ADMINISTRATION</u>		
I. EXECUTIVE		
1. Corresponding Secretaries' Office	\$14,768.61	\$15,270.
2. Associate Secretaries' Office	13,638.86	11,890.

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

I. EXECUTIVE (Contd)

3. Recording Secretary and Research Office

Salary and office expense of the recording secretary. (H. C. Spencer; salary \$2,200., house rent allowance \$800) stenographic and clerical help for keeping the minutes of the Board and its committees and staff; preparation and editing of all forms and schedules of reports from the fields; research for the church at large, the editors, the secretaries, and the missionaries.

II. GENERAL OFFICE

4. Rent

For office of the Board at 150 Fifth Avenue, New York City.

5. Light

6. Stenographers and Clerks

Salaries of stenographers and clerks not assigned to special departments, telephone operator, incoming and outgoing mail.

7. Filing

Salaries of clerical help for the filing of all correspondence.

8. Porters

Salaries of porters.

9. Postage

For all correspondence.

10. Telephones and telegrams.

11. Insurance

Liability and group insurance of office and staff, fire insurance on office furniture.

12. Office Supplies

Cost of supplies not charged to special departments.

13. Incidentals

Miscellaneous charges of administration.

III. BOARD AND COMMITTEE MEETINGS

14. Board's Expense

Travel and entertainment of the members of the Board for the Annual Meeting and expense of Board Committees.

IV. TREASURER

15. Treasurer's Office

Salaries of treasurers, (M. W. Ehnes; salary \$3800., house rent allowance \$1200.) associate treasurer, (G. F. Sutherland; salary \$3080., house rent allowance \$1000.) stenographic help. The treasurer and associate treasurer supervise all the receipts and expenditures of the Board under the Board's direction, including cultivation of annuities, legacies, parish abroad and care of all property received by gift or will. The associate treasurer is temporarily assisting in Home Base cultivation.

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
I. EXECUTIVE (Contd)		
3. Recording Secretary and Research Office	\$5,759.33	\$5,987.
II. GENERAL OFFICE		
4. Rent	5,460.00	5,460.
5. Light	835.36	850.
6. Stenographers and Clerks	5,195.48	5,903.
7. Filing	3,516.01	3,654.
8. Porters	2,304.00	2,332.
9. Postage	6,482.29	6,000.
10. Telephones and Telegrams	1,532.13	1,500.
11. Insurance	249.01	250.
12. Office Supplies	1,776.72	1,500.
13. Incidentals	514.55	500.
III. BOARD AND COMMITTEE MEETINGS		
14. Board's Expense	6,839.69	7,000.
IV. TREASURER		
15. Treasurer's Office	7,825.43	7,916.

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

IV. TREASURER (Contd)

16. Accountant and Cashier's Office

Salaries of the accountants, cashier, stenographic and clerical help. The bookkeeping connected with receipts and disbursements of both designated and undesignated funds to the various treasurers throughout the world; accounting for all appropriations; dealing with exchange, letters of credit and payment of bills for the purchases made in the United States by individual missionaries and institutions; handling the cash, the bank accounts, and the records of investments and reinvestments of the permanent and annuity funds.

17. Auditing, Bonding, and Safeguarding Securities

Cost of the annual and surprise audits; bonds for the treasurer and employees in the Treasury Department; custody of Board's securities.

18. Purchasing, Shipping and Transportation (one quarter)

Proportion of expense of purchasing supplies and transportation properly charged against office administration.

PROMOTION & PUBLICITY

19. Designated Income

Salaries, stenographic and clerical help involved in preparing and sending out information regarding objects for designated gifts and keeping in touch with all persons, organizations and churches that through the years have maintained designated objects for their foreign missionary giving. Securing from the field and distributing reports of work made possible by designated gifts.

20. Legal

Watching over the legal status of all phases of the Board's work; the direction of all cases of contested wills; the settlement of estates.

21. Field Cultivation (one-half)

Proportion of Field Cultivation expense properly charged to Promotion and Publicity, stenographic help. One-half the maintenance of the offices of the Board in Chicago and San Francisco; field workers.

22. Cultivation Travel (one half)

Proportion of field cultivation expense properly charged to Promotion and Publicity. Cost of travel to Annual Conferences, missionary meetings and other field visitation less amounts received locally to apply on such expenses.

23. Publications

Printing and distribution of the annual report and special foreign missionary literature.

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
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IV. TREASURER (Contd)

16. Accountant's and Cashier's Office

\$13,623.83

\$13,262.

17. Auditing, Bonding and Safeguarding Securities

2,175.12

2,200.

18. Purchasing, Shipping and Transportation (one quarter)

1,734.52

1,644.

94,230.94

93,118.

Less income from Permanent Funds

11,019.40

11,500.

TOTAL NET ADMINISTRATION

83,211.54

81,618.

PROMOTION & PUBLICITY

19. Designated Income

9,368.54

10,302.

20. Legal

3,929.48

4,394.

21. Field Cultivation (one half)

9,409.63

7,079.

22. Cultivation Travel (one half)

2,016.81

2,000.

23. Publications

13,684.78

7,076.

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

PROMOTION & PUBLICITY (Contd)24. General Conference Expenses

Cost of exhibit, anniversary, field days, demonstrations and missionary addresses. The Board authorized an item of \$1,000 each year for the expense incidental to the General Conference, same to be held as a credit until the General Conference year when enough would be added to cover the proposed budget for General Conference.

25. Joint Promotion with other World Service Agencies

The following departments and divisions of work, with headquarters in Chicago, have been organized by the Secretaries of the various Boards as the most efficient and economical way of conducting the work involved. The costs are divided among the Boards in proportion to the World Service monies which each receives. The work is carried on under the general supervision of the Secretaries.

a. The Department of Missionary Education

This department is charged with the responsibility of promoting in the Church missionary education in all departments of the Church Schools, the Epworth Leagues and in the Church as a whole, including Church Training Nights, Missionary Study Classes and the educational features relating to the Every Member Canvass.

b. The Department of Visual Education

A department to create and furnish to the Church stereopticon lectures and, as far as practicable, moving picture films for general educational purposes.

c. Service and Shipping Department

A department for the mailing of such literature as the Boards publish jointly, such as: Easter services and envelopes, Missionary Day in October, and Every Member Canvass literature.

d. Plays and Costumes

Correspondence regarding plays and dramatics and the renting of costumes.

e. Literature and Supplies

For the printing of joint literature for Easter, the Every Member Canvass and similar purposes, including the reports of the World Service Treasurer.

f. Postage and Express on Literature sent out by the Joint Service Department.g. World Vision Schools

Special budget for the development of World Vision Schools through the Department of Missionary Education.

h. World Service Councils

Special budget to enable the Secretary of the Department of Missionary Education to organize interest and instruct World Service Councils in conferences, districts and local churches.

i. Federal Council of Churches

For service rendered the Boards.

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
<u>PROMOTION AND PUBLICITY (Contd)</u>		
24. General Conference Expense	\$1,000.00	\$1,000.
25. Joint Promotion with other World Service Agencies	26,197.15	22,635.
	65,606.39	54,486.
Less income from Permanent Funds	5,509.70	5,750.
TOTAL NET FOR PROMOTION & PUBLICITY	\$60,096.69	\$48,736.

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

SERVICE TO THE CAUSE

26. Field Cultivation (one half)

Proportion of Field cultivation expense properly charged under Service To The Cause. This division is made on the theory that the field campaigns of the Board of Foreign Missions, and the addresses of missionaries and representatives of the younger churches, are not only a help in developing missionary interest, prayer and income but are also a distinct spiritual and educational contribution to the churches visited.

27. Cultivation Travel (one half)

Proportion of cultivation travel expense properly charged under Service to the Cause. This division is made on the same basis as item 26.

28. Pfeiffer Reserve Pension Fund

The Board has established a reserve pension plan for its home office employees, on the basis of which the employees contribute three per cent of their salary and the Board five per cent. The generous gift of Mr. and Mrs. Henry Pfeiffer has made provision for past service annuities and the entire fund bears their name. The five per cent requirement is necessarily added to the appropriations.

29. Cultivation Travel from Conditional Gifts

Amounts received by missionaries on account of their travel in connection with speaking in churches, for which World Service vouchers are given.

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
<u>SERVICE TO THE CAUSE</u>		
26. Field Cultivation (one half)	\$9,409.63	\$7,078.
27. Cultivation Travel (one half)	2,016.81	2,000.
TOTAL	11,426.44	9,078.
28. Pfeiffer Reserve Pension Fund	----	5,250.
GRAND TOTAL - HOME EXPENSE	\$154,734.67	\$144,682.
29. Cultivation Travel from Conditional Gifts.....(contra)	5,793.13	5,793.

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

APPROPRIATIONS

The appropriations of the Board of Foreign Missions are made under two main headings, Missionary Support and Work Operations.

Missionary Support

The appropriation for Missionary Support consists of the cash salary of the missionaries, (which averages about \$1800 for a married missionary) their travel expense from the field, children's and medical allowances, if any; the cost of housing - that is, either rent, or if property is owned, taxes, repairs, insurance, etc. - in fact, under Missionary Support goes all items which have to do with keeping a missionary on the field. For many years we have not been able to include funds for the travel expense of missionaries back to their fields of labor. This year the Board was able to include about one-quarter of the total amount needed. The missionaries and the Board are trying to raise the balance from interested friends. Many donors ask for "on apportionment" vouchers for such gifts thus subjecting these funds to pro rating and reducing the Board's undesignated income.

This appropriation is made in one lump sum to cover all missionaries regardless of their field of operation. In these Askings this lump sum has been divided up between the various Conferences concerned to enable the Commission to get a better idea of the situation in each foreign Conference.

The figures that follow immediately after the words, Missionary Support, represent the number of missionaries who are working in each of the Annual Conferences concerned and who are being paid by the Board of Foreign Missions in full or in part. In some Conferences there are additional missionaries who are being paid from local sources, such as self-supporting churches, tuition from students in schools, or Government grants for our schools. In a few cases missionaries received part or all of their support from the earnings of the hospitals which they operate.

In each case these figures count a man and his wife as two missionaries. There are some single missionaries in the employ of the Board. These are included.

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
<u>FOR THE MISSIONS</u>		
CURRENT EXPENSES		
I. <u>EASTERN ASIA</u>		
<u>CHINA</u>		
Central China		
Missionary Support (17)	\$18,587.54	\$21,181.89
Work Operations	2,083.84	2,083.84
Foochow		
Missionary Support (25)	31,915.17	29,218.41
Work Operations	19,318.57	19,479.57
Hinghwa		
Missionary Support (6)	6,066.89	7,706.27
Work Operations	7,769.76	7,758.76
Kiangsi		
Missionary Support (12)	13,150.68	13,665.00
Work Operations	3,214.52	3,246.52
North China		
Missionary Support (31)	32,711.42	31,358.58
Work Operations	11,913.66	11,913.66
Shantung		
Missionary Support (2)	3,531.28	2,657.14
Work Operations	3,911.84	3,971.84
South Fukien		
Missionary Support	----	----
Work Operations	1,632.15	1,371.15
West China		
Missionary Support (12)	16,296.73	16,891.01
Work Operations	5,773.42	5,773.42
Yemping		
Missionary Support (6)	6,080.67	5,830.84
Work Operations	4,465.05	4,465.05
China General		
Missionary Support (2)	7,173.54	7,282.08
Work Operations	3,629.40	3,629.40
Union Universities		
Work Operations	41,095.19	41,095.19
Total Missionary Support	135,513.92	135,791.22
Total Work Operations	104,807.40	104,788.40
Total China	\$240,321.32	\$240,579.62

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Work Operations

The appropriations for work operations includes appropriations for all forms of missionary work in the field. It constitutes the budget with which the missionaries and the Church carries on its operations and is supplemental to the funds which are raised locally on the field. While in most cases this appropriation is made in one lump sum to the Annual Conference involved, it is distributed on the field among the various types of work. The chief exceptions to this principle of appropriating a lump sum to an Annual Conference are the appropriations for the union institutions, chiefly in Eastern Asia. Missionaries are also assigned to these union institutions but appear in this classification under the Conference to which they belong.

Evangelistic Work includes the amount which is available from appropriations to help meet the support of preachers, exhorters, pastor-teachers in villages, itinerating costs and repairs of church properties.

Educational Work includes the amount that is available from appropriations for payments of teachers' salaries, purchase of supplies, upkeep of property, taxes, and scholarships for needy Christian boys. The amount provided through this channel is very small compared to the large sums received from tuition fees, government grants, and contributions on the field.

Medical Work includes the amount that is available from appropriations for the payment of the salaries of National physicians, nurses, the cost of hospital supplies, almost all of which must be imported and are therefore very expensive, the upkeep of the property, replacement of costly equipment, itinerating to visit dispensaries, and medical care of sick and needy Christians in the villages.

There is also the cost of agricultural and industrial mission work.

We have previously reported to the Commission the reasons which compelled us in 1933 to eliminate from our major fields practically the entire undesignated appropriations for work operations. We have never been able to restore any of these cuts.

The seriousness of this situation may be illustrated in any one of our major fields. Take Southern Asia for example. The total amount remitted to that vast field for work operations during our last fiscal year was \$218,135. Practically the entire amount was remitted under our conditional appropriations as designated gifts. In the total there was about \$7,000 remitted from the general appropriations undesignated which was available for use by the eleven Field Finance Committees to meet strategic and necessary situations. Some conferences did not have a single dollar of undesignated money; others very little.

It will be seen at once that this very greatly handicaps our missionary operations. There is no possibility whatever of increasing the appropriations for work operations until the Board receives additional income.

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
I. <u>EASTERN ASIA</u> (Contd)		
<u>JAPAN & KOREA</u>		
Japan		
Missionary Support (19)	\$27,520.03	\$25,553.58
Work Operations	11,701.99	11,701.99
Korea		
Missionary Support (26)	30,214.32	34,221.65
Work Operations	18,434.41	18,434.41
Chosen Christian College		
Work Operations	2,000.00	2,007.00
Severance Union Medical School		
Work Operations	320.00	320.00
Total Missionary Support	57,734.35	59,775.23
Total Work Operations	32,456.40	32,463.40
Total Japan and Korea	90,190.75	92,238.63
Eastern Asia		
Missionary Support	\$193,248.27	\$195,566.45
Work Operations	137,263.80	137,251.80
TOTAL EASTERN ASIA	\$330,512.07	\$332,818.25
II. <u>SOUTHEASTERN ASIA</u>		
Malaya		
Missionary Support (26)	\$18,632.43	\$21,444.71
Work Operations	3,688.96	3,688.96
Sumatra		
Missionary Support (10)	15,806.48	15,944.33
Work Operations	4,406.48	4,406.48
Philippine Islands		
Missionary Support (14)	21,401.23	17,240.01
Work Operations	3,645.00	3,692.00
Southeastern Asia		
Missionary Support	55,840.14	54,629.05
Work Operations	11,740.44	11,787.44
TOTAL SOUTHEASTERN ASIA	\$67,580.58	\$66,416.49

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
III. SOUTHERN ASIA		
Bengal		
Missionary Support (12)	\$15,727.10	\$9,822.17
Work Operations	10,465.03	10,465.03
Bombay		
Missionary Support (8)	8,746.17	8,915.03
Work Operations	11,742.97	11,742.97
Burma		
Missionary Support (14)	15,559.57	15,666.88
Work Operations	2,850.64	2,850.64
Central Provinces		
Missionary Support (8)	10,343.13	8,254.86
Work Operations	11,658.00	11,658.00
Gujarat		
Missionary Support (8)	7,040.61	5,605.58
Work Operations	24,519.89	24,577.89
Hyderabad		
Missionary Support (8)	6,488.98	6,051.68
Work Operations	18,140.99	18,140.99
Indus River		
Missionary Support (12)	15,028.06	12,323.50
Work Operations	9,515.57	9,521.57
Leonard Theological College		
Missionary Support (8)	7,129.47	8,413.33
Work Operations	5,904.00	5,904.00
Lucknow		
Missionary Support (6)	5,149.04	3,243.66
Work Operations	9,484.17	9,576.17
Lucknow Christian College		
Missionary Support (8)	12,616.74	7,365.00
Work Operations	3,939.84	3,946.84
North India		
Missionary Support (16)	17,872.68	16,577.66
Work Operations	24,642.86	24,706.86
Northwest India		
Missionary Support (14)	19,036.77	17,302.45
Work Operations	25,066.43	25,051.43
South India		
Missionary Support (10)	7,163.71	8,179.16
Work Operations	14,918.28	14,939.28

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
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III. SOUTHERN ASIA (Contd)

India General

Missionary Support (12)

\$31,973.55

\$33,398.79

Work Operations

12,691.11

12,941.11

Southern Asia

Missionary Support

179,875.58

161,119.75

Work Operations

185,539.78

186,022.78

TOTAL SOUTHERN ASIA

\$365,415.36

\$347,142.53

IV. AFRICA, CENTRAL AND SOUTH

Angola

Missionary Support (10)

\$14,461.84

\$11,432.12

Work Operations

5,979.06

6,395.06

Congo

Missionary Support (16)

17,616.60

18,143.62

Work Operations

7,773.94

7,803.94

Liberia

Missionary Support (9)

12,917.23

10,114.75

Work Operations

7,262.97

7,262.97

Rhodesia

Missionary Support (16)

21,495.07

17,886.91

Work Operations

6,456.15

6,456.15

Southeast Africa

Missionary Support (14)

18,112.21

18,169.96

Work Operations

12,022.76

12,066.76

Africa, Central and South

Missionary Support

84,602.95

75,747.36

Work Operations

39,494.88

39,984.88

TOTAL AFRICA, CENTRAL
AND SOUTH

\$124,097.83

\$115,732.24

V. LATIN AMERICA

Bolivia

Missionary Support (11)

\$8,595.27

\$10,152.95

Work Operations

3,146.25

3,146.25

Central America

Missionary Support (3)

3,419.82

3,122.50

Work Operations

2,720.49

2,720.49

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
V. <u>LATIN AMERICA (Contd)</u>		
Chile		
Missionary Support (5)	\$8,606.29	\$8,162.65
Work Operations	6,082.53	6,082.53
Eastern South America		
Missionary Support (14)	16,271.39	17,938.33
Work Operations	11,408.10	12,908.10
Mexico		
Missionary Support (2)	1,810.00	1,810.00
Work Operations	9,764.25	9,764.25
Peru		
Missionary Support (7)	6,620.13	7,064.43
Work Operations	3,935.37	3,935.37
Latin America General		
Missionary Support (2)	3,792.46	3,266.66
Work Operations	3,105.05	3,105.05
Latin America		
Missionary Support	49,115.36	51,517.52
Work Operations	40,162.04	41,662.04
TOTAL LATIN AMERICA	\$89,277.40	\$93,179.56
VI. <u>EUROPE AND NORTH AFRICA</u>		
Baltic and Slavic		
Work Operations	\$4,078.00	\$4,078.00
Denmark		
Work Operations	2,374.32	1,437.32
Finland		
Work Operations	1,507.00	1,507.00
Finland Swedish		
Work Operations	1,025.00	1,025.00
North Africa		
Missionary Support (4)	4,481.98	5,069.16
Work Operations	5,724.87	7,372.87
Norway		
Work Operations	1,205.00	37.00
Spain		
Work Operations	2,995.00	2,995.00
Sweden		
Work Operations	160.00	160.00

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
VI. <u>EUROPE AND NORTH AFRICA</u> (Contd)		
Russia		
Work Operations	\$530.00	\$530.00
Theological Seminary, Gothenburg		
Work Operations	2,000.00	2,000.00
Austria, Hungary & Jugo-Slavia		
Work Operations	2,070.00	2,070.00
Frankfort Theological Seminary		
Work Operations	800.00	255.00
Bulgaria		
Work Operations	----	2,105.00
Northeast Germany		
Work Operations	4,657.40	4,657.40
Switzerland		
Work Operations	300.00	300.00
Europe General		
Work Operations	2,783.87	2,783.87
Europe and North Africa		
Missionary Support	4,481.98	5,069.16
Work Operations	32,210.46	33,313.46
TOTAL EUROPE AND NORTH AFRICA	36,692.44	38,382.62
TOTAL MISSIONARY SUPPORT	\$567,164.28	\$543,649.29
TOTAL WORK OPERATIONS	446,411.40	450,022.40
	\$1,013,575.68	\$993,671.69

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

VII. Emergency Fund

Home coming of missionaries on account of sickness, salaries of missionaries on extended furlough on account of ill health; emergency repairs on mission property.

VIII. Cooperation Fund

The Board's share of the cost of cooperating committees like Foreign Missions Conference also certain cooperative enterprises which are administered from New York rather than on the field.

IX. Purchasing, Shipping and Transportation (three quarters)

Proportion of cost properly charged to the field for the purchase and shipping of personal supplies for missionaries, building materials and supplies for churches, educational institutions and hospitals, involving every conceivable sort of article from a pin to a heating plant.

X. Personnel Department

The work of securing suitable candidates and keeping in touch with prospective candidates who are in college has, in the past, been assigned to one of the Associate Secretaries as a part of his duties. No part of his salary has been charged to the Personnel Department. The costs charged against this Department are the salaries of clerical help and stenographers, and the expenses incurred by Mrs. Mary Bloomquist who has carried the work of the Chicago Personnel Committee.

On May 1, however, the Board entered into a joint arrangement with the Woman's Foreign Missionary Society and established a Personnel Department representing both the Board and the Society. The expenses of this Department will be shared equally by the two organizations. The annual costs will be only a few hundred dollars greater than under the old arrangement and we believe the results will be greatly enhanced.

XI. Retired Missionaries

Allowance for retired missionaries, their widows and orphans.

XII. Reserve Pension Fund for Missionaries

The Board is working with actuaries on a plan for a contributory pension fund to which both the Board and the individual missionary will make contributions. This is an estimate of the amount that will be needed the first year that this new plan is put into operation.

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
VII. Emergency Fund	\$24,668.39	\$25,000.00
VIII. Cooperation Fund		
a. Associated Mission Medical Office	5,383.00	4,775.00
b. Foreign Missions Conference (including International Missionary Council	3,660.00	2,660.00
c. Committee on Cooperation in Latin America	1,743.00	1,743.00
d. Joint Committee on Religious Education in Foreign Fields	1,567.00	1,567.00
e. Foreign Missions Library	300.00	300.00
f. Brussels Agency	280.00	280.00
g. Institute of African Languages	50.00	50.00
h. African Christian Literature Bureau	380.00	380.00
i. Foreign Christian Student Association	275.00	275.00
j. Associated Boards of Christian Colleges in China	570.00	570.00
k. Anglo-American Community Churches	200.00	200.00
l. Agricultural Missions	25.00	25.00
m. Lisbon Agency	150.00	150.00
n. International Missionary Council	----	1,900.00
o. Africa Cooperative Committee	----	500.00
IX. Purchasing, Shipping and Transportation (three Quarters)	5,203.57	5,001.00
X. Personnel Department	3,070.62	2,635.00
XI. Retired Missionaries	64,890.12	64,000.00
XII. Reserve Pension Fund for Missionaries	----	3,460.00
	\$112,415.70	\$115,471.00

ADDITIONAL INFORMATION

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

PROPERTY EXPENSES

I. Undesignated Gifts, Conditional

It has long been the policy of the Board to meet certain property expenses from income from legacies over and above the amount used for current expenses of the Board. The amount used from such sources last year was \$7,967.50 and the same amount is asked for the ensuing year.

II. Designated Gifts, Conditional

Amounts disbursed if and as received designated for property in the various conferences.

OTHER CLASSIFICATIONS

1. Interest

Interest on bank loans made necessary by the Board's obligations and on funds borrowed to maintain the necessary current work of the Board, because of delay in forwarding funds from the churches.

2. Deficits

In connection with our general statement, found in the first pages of these sheets, we have explained in detail matters relating to the debt of the Board. As stated there, the plan for amortizing the the 1931 deficit calls for an appropriation of \$54,069 during 1938, and the same amount is required in 1939.

BOARD OF FOREIGN MISSIONS OF THE METHODIST EPISCOPAL CHURCH

Project, Department or Type of Work	Amount Expended Last Fiscal Year	Proposed Asking for Ensuing Year
<u>PROPERTY EXPENSES</u>		
I. Undesignated Gifts Conditional	\$7,967.50	\$7,967.
II. Designated Gifts Conditional	58,103.03	58,103.
Total	66,070.53	66,070.
<u>OTHER CLASSIFICATIONS</u>		
1. Interest	24,953.74	22,500.
2. Deficiency 1931	22,191.49	54,069.
Total	47,145.23	76,569.
<u>RECAPITULATION</u>		
<u>For Home Expenses</u>		
Administration	83,211.54	81,618.
Informing the Churches	60,096.69	48,736.
Service to the Cause	11,426.44	9,078.
Pfeiffer Reserve Pension Fund	----	5,250.
Total for Home Expenses	154,734.67	144,682.
Cultivation Travel (Conditional Gifts)	5,793.13	5,793.
<u>For the Missions</u>		
Missionary Support	567,164.28	543,649.
Work Operations	446,411.40	450,023.
Miscellaneous Appropriation (VII-XII)	112,415.70	115,471.
Property Expense	66,070.53	66,070.
Total for the Missions	\$1,192,061.91	\$1,175,213.
Other Classifications	47,145.23	76,569.
TOTAL ASKINGS	\$1,399,734.94	\$1,402,257.

ADDITIONAL INFORMATION

ADDITIONAL ASKINGS

The foregoing statement contains many references to the major additional needs of the work sponsored by this Board and what follows must in the nature of the case be in part a recapitulation. The most urgent needs are naturally the four items which, as shown in the introductory statement, we have not been able to care for even with the increased resources of the special grant of \$150,000. Closely related to these four is the liquidation of the debt. The five items, with the amounts required, are:

1. Restoring our Missionary staff to the level of a year ago.
2. Outgoing expenses of missionaries
3. Restoration of salaries
4. Missionary support from the Emergency Fund
5. Deficit of 1931

The Board is very anxious to pay off its indebtedness at the earliest possible moment and not later than the actual consummation of unification. Early payment of the debt would free the Board from heavy annual interest payments which in 1937 amounted to \$24,953. This amount would be immediately available for much needed work.

While the Board had an unusually large income from legacies this past year, we have no reason to expect any similar amount next year. Indeed it is quite possible that next year's receipts will be well below the average. We therefore cannot count on funds from that source in 1939 to make an additional payment on the Board's debt. We request an additional amount of \$50,000 so that together with the regular appropriation we might have at least \$100,000 available for application on the debt during the ensuing year.

The five items listed above are the items needed to keep the work going on its present basis. It has been kept going during recent years by various makeshifts, adjustments and temporary expedients which, in the nature of the case, cannot continue indefinitely. These items do not touch at all those great opportunities for constructive advance which the Church faces in most of its mission fields. We, therefore, add the most outstanding of the unmet needs to the five which are listed.

6. The sending out of additional missionaries. In 1918, before any Centenary advance was registered, we had 905 missionaries, counting man and wife as two. We now have 550. Of these, half are over 50 years of age. There are Annual conferences that have the services of only one or two missionary families. In some cases at least one is in his last term of service. The missionary work in some of the conferences ten years from now will have collapsed if we cannot send out missionaries immediately. We look forward to this situation with the greatest possible concern. A careful study indicates that we need 97 missionaries to meet the most pressing needs. If these could be added within the present year we would still have 258 less missionaries in 1938 than we had in 1918. A list of these needs, conference by conference, is as follows:

ADDITIONAL ASKINGS

Covering work that the Church should do through this Board if and when the necessary support is provided through the Million Unit Fellowship Movement or otherwise

Project, Department or Type of Work	Cost Per Year	Has This Work Been Previously Carried On by the Board or Is It New Work?
1. Restoring our missionary staff to the level of a year ago	\$23,514.	
2. Outgoing expenses of missionaries	33,600.	
3. Restoration of salaries	50,000.	
4. Missionary support from the Emergency Fund	25,000.	
5. Deficit of 1931	50,000.	
6. The sending out of additional missionaries	145,500.	

ADDITIONAL INFORMATION

EASTERN ASIA

China

Central China

Rural evangelist, Wuhu
Religious worker for Middle School, Nanking
Evangelist for student work, Nanking

Chengtu

City evangelist, Chengtu

Chungking

Doctor, Chungking
Nurse, Chungking

Foochow

Rural evangelist, Kutien
Evangelist, Foochow
Religious worker for Anglo-Chinese College, Foochow

Hinghwa

Religious worker for Guthrie High School, Hinghwa

Kiangsi

Religious worker for Wm. Nast Academy, Kiukiang
Rural evangelist, Kiukiang
Doctor for Ensign Memorial Hospital, Nanchang
Nurse for Ensign Memorial Hospital, Nanchang

North China

Religious worker for Hui Wen Academy, Peiping
City evangelistic worker, Tientsin
Nurse, Peiping-Changli

Shantung

Teacher-evangelist, Taian

Yenping

Religious worker for Middle School, Yenping
Rural evangelist, Yenping

Japan and Korea

Teacher-evangelist for Aoyama Gakuin, Tokyo, Japan
Professor for Aoyama Gakuin Theological Seminary, Tokyo, Japan
Teacher-evangelist for To-o-Gijiku, Hiroasaki, Japan
Teacher-evangelist for Chinzai Gakuin, Nagasaki, Japan
Rural evangelist, North Japan
Evangelist for student work, Seoul, Korea
Rural evangelist, Seoul, Korea
Professor for Union Theological Seminary, Seoul
Professor for Chosen Christian College, Seoul

ADDITIONAL INFORMATION

SOUTHEASTERN ASIA

Malaya

Evangelistic worker, Singapore
Rural and industrial evangelist, Borneo
Principal-teacher, Medan Boys' School, Sumatra

Philippine Islands

Teacher for Union Theological Seminary, Philippine Islands South
Rural evangelist, Philippine Islands, North

SOUTHERN ASIA

Bengal

Educational missionary. Mount Hermon School, Darjeeling
Agriculturist, Ushagram School, Ushagram

Bombay

Missionary for rural and industrial work, Boys' School, Nagpur

Burma

Educational missionary, School for missionaries' children, Kalaw
Science teacher, Boys' School, Rangoon.

Central Provinces

Agricultural and industrial missionary, Jagdalpur, Bastar State
Educational and general missionary, Sironcha

Gujarat

Educational missionary, Baroda High School

Indus River

Rural educator, Raewind High School
Agricultural missionary for Christian Village Settlements
Evangelist, Lahore District

Leonard Theological College, Professor of Theology, Jubbulpore
(Central Prov.)

Lucknow Conference, Agricultural and general missionary for Bihar Mass
Movement

Lucknow Christian College, Lucknow

Religious Work Director
Educational missionary for Teacher Training Dept.
Teacher of economics and Business Administration for Business Dept.
Assistant to Athletic Director, Dept. of Physical Education

The Ashram, Lucknow,

Medical missionary, Lucknow

North India

Educational and general missionary, Hostel, Boys' High School, Moradabad.
Agricultural and industrial missionary, Boys' School, Lodhipur
Athletic Director and Boys' Work, Philander Smith High School, Naini Tal

ADDITIONAL INFORMATION

SOUTHERN ASIA (Contd)

Northwest India

Agricultural and industrial missionary, Ingraham Training School,
Ghaziabad

Two general missionaries for the Mass Movement Development

South India

Pharmacist for the South India Tablet Industry, Bowringpet

AFRICA

Angola

General missionary qualified to give Biblical and other instruction
required for Christian workers, Quessua Bible School, Quessua
Teacher-evangelist, Luanda

Congo

Medical missionary, Congo Institute, Kanene
Trained nurse, Congo Institute, Kanene
General missionary, Mineral District, Elisabethville
General missionary, Mineral District, Jadotville

Liberia

Educational missionary, College of West Africa, Monrovia
Rural educator, Ganta
Builder and industrial teacher, Ganta
Rural teacher, Kplepo (Kru Coast)
Missionary for preacher training and evangelistic work, Stokes Bible
School, Monrovia

Rhodesia

Medical missionary with an English degree, Nyadiri
Industrial teacher, Hartzell Training School, Old Umtali
General missionary, Umtali

South East Africa

General missionary, Central Training School, Kambini
Educational missionary, Central Training School, Kambini
Medical missionary for hospital and leper camp, Gikuki

EUROPE AND NORTH AFRICA

North Africa

Evangelist, Tunis

LATIN AMERICA

Bolivia

Two trained nurses for Clinica Americana, La Paz
Teacher of Science for American Institute, La Paz
Educational missionary for American Institute, Cochabamba

Central America

Commercial teacher, Seawall School, Panama

LATIN AMERICA (Contd)

Peru

Educational missionary, High School, Callao

General missionary, School and District work, Huancayo

Chile

Trained nurse with Public Health experience, Sweet Memorial Institute, Santiago

Educational missionary, Rural Reconstruction Center, El Vergel

7. Preacher Training. The younger churches are calling for a better trained ministry. This is inevitable with the growth of the Church and the increasing intelligence of its membership. We have in every one of our fields either denominational or interdenominational theological seminaries in sufficient numbers to meet this need. Most of them have adequate buildings, although some greatly need additional dormitories for married couples so that the whole family can learn the rudiments of a better home life, the simple facts concerning health, and attain the general culture which they so much need. But all of them, with the exception of Nanking Theological Seminary on the Wendel-Swope Foundation, are inadequately staffed so far as teaching force is concerned, as will be noted from the above list of needed new missionaries. Most of these preacher-training schools are poorly supplied with necessary books to carry on theological instruction and research. They lack lectureships and the necessary cultural contacts, and are constantly handicapped by the lack of sufficient money for scholarships. The figures here given are in addition to the cost of personnel listed above. The more important of these schools, with the minimum needs stated in round numbers are given on the opposite page.

Bishop Wade has secured a conditional gift of \$13,000 for the capital account of Gothenburg Seminary providing the amount is duplicated by the Board, the total to be applied on the cost of the plant of the Union Seminary. It is probable that this gift of \$13,000 can be renewed on the same conditions for one or two additional years until the total need of \$66,000 is canceled.

Refresher Courses With the exception of some much-appreciated small gifts from the Commission on Conference Courses of Study, there is no annual conference in the foreign field that has funds for duplicating the work which has been fostered by that organization in this country. Refresher courses for pastors under appointment are needed in every annual conference. The minimum estimate required would be \$12,500 annually. This sum would not pay the total expense but would be made available in conditional grants and thus stimulate fresh study and continued preparation on the part of the ministers in the foreign conference.

8. Christian Literature. The Church and its constituency are becoming more literate every year. Our evangelistic opportunity through Christian literature is developing every year with the increased ability to read and write. Literature in magazine, pamphlet and book form of the right type is not available from secular sources. In almost every case there is plenty of the wrong type. An urgent need is inexpensive books, leaflets, Sunday school literature, wholesome stories and similar material so easily available

ADDITIONAL ASKINGS

Covering work that the Church should do through this Board if and when the necessary support is provided through the Million Unit Fellowship Movement or otherwise

Project, Department or Type of Work	Cost Per Year	Has This Work Been Previously Carried On by the Board or Is It New Work?
7. <u>Preacher Training</u>		
<u>China</u>		
Peking Theological Seminary, Peking	\$1,200.	
Foochow Union Theological Sem- inary, Foochow	750.	
<u>Japan & Korea</u>		
Aoyama Theological College, Tokyo, Japan	3,000.	
Union Theological Seminary, Seoul, Korea	1,000.	
<u>Philippine Islands</u>		
Union Theological Seminary, Manila, P.I.	1,000.	
<u>India</u>		
Bareilly Theological Seminary	1,000.	
Leonard Theological College, Jubbulpore	2,000.	
<u>Africa</u>		
Quessua Bible School, Angola	500.	
Bible Department, Congo Institute, Kaneno	500.	
Bible Dept., Hartzell Training School, Old Untali, Rhodesia	750.	
Bible Dept., Central School, Kambini, S.E.Africa	750.	
Stokes Bible School, Monrovia, Liberia	1,000.	
<u>Latin America</u>		
Union Theological Seminary, Buenos Aires, Argentina	1,500.	
Union Theological Seminary, Mexico City, Mexico	1,000.	
<u>Europe</u>		
Union Theological Seminary, Gothonburg, Sweden	3,000.	
Union Theol. Seminary, Gothonburg, Capital Account	13,000.	
<u>Refresher Courses</u>	12,500.	

ADDITIONAL INFORMATION

8. Christian Literature (Contd)

in this country. The problem is not only one of translating and writing but there is also the problem of distribution. Adequate distribution cannot be secured through secular channels. Distribution involves, in most countries, the establishment of Publishing Houses and everywhere the training of workers in the art of selling tracts and books. As an illustration of what might be accomplished to provide theological and pastoral literature for distribution in a vast area we list some of the publications issued last year by "La Aurora," a publishing house in Buenos Aires which Dr. B. Foster Stockwell is rendering unusual service as editorial agent, in addition to his other duties as Director of Union Theological Seminary. The Abingdon commentary referred to below, is the first Bible commentary issued in the Spanish language for either Catholics or Protestants. This commentary will ultimately be printed in three volumes. Some of the following list are translations; others are original productions.

"Abingdon Bible Commentary," Volume I
 "The Other Wise Man" by Van Dyke
 "Dionysos" by Monti (A book for youth)
 "Great Christian Teachings" by Lewis
 "Our World and the Cross" by Stockwell (a series of Lenten addresses)
 "The Fountain of Life" by Fortune (A pamphlet concerning Bible Sunday)
 "I Believe" by Rall
 "I Believe in God" by Brown
 "Why I Believe in Immortality" by MacIntosh
 "Why I do not believe in Gambling" by Clark

These last four are a series of pamphlets originally published by the American Institute of Sacred Literature of the University of Chicago. Plans for the present year are as interesting and hopeful as those of the past. The proposals for publication are:

"Abingdon Bible Commentary," Volume II
 "Christianity - And Our World" by Bennett
 The Oxford and Edinburgh Conferences - a popular report by the
 Rev. Carlos T. Gattinoni
 The Old Testament by Julius Beyer - This is the first of a series
 of books which will be published under the heading "Library
 of Protestant Culture." The series will contain books on Church
 History, together with doctrinal, philosophical and sociological
 studies
 "Rebel Religion" by Plowright
 "El Predicado Evangelico" - a quarterly magazine
 The Problem of God by Howard

The amounts needed for a modest advance in the matter of Christian literature in various fields are given on the opposite page.

9. Colleges and Schools. Education has had a high and fruitful place in the work of Methodist missions - a high place because of the large investments of men and money, a fruitful one because of the remarkable way in which graduates of Methodist schools have achieved leadership in the Church, in the business world and in all walks of life.

ADDITIONAL ASKINGS

Covering work that the Church should do through this Board if and when the necessary support is provided through the Million Unit Fellowship Movement or otherwise

Project, Department or Type of Work	Cost Per Year	Has This Work Been Previously Carried On by the Board or Is It New Work?
8. <u>Christian Literature</u>		
Buenos Aires, "La Aurora" Publishing House	\$1,000	
Distribution in Latin America of "La Nueva Democracia"	1,000.	
Mexico	2,000.	
India	12,500.	
This asking for India is due to the unusual opportunities which we have in that country for work among the Outcastes. The Board has now a conditional offer of \$7500 for the work of Dr. E. Stanley Jones in India conditioned upon providing an additional \$7500. Most of this would be used for literature.		
Korea	500.	
Philippino Islands	500.	
Africa	2,000.	
North Africa	500.	
	<hr/>	
Total	\$20,000.	

9. Colleges and Schools (Contd)

With the rapid rise and development of government education in practically every country of the world where formerly mission schools pioneered and for a time held sway, we are faced with the demand for better equipment, a larger teaching staff, more laboratory and library facilities, indeed all those appurtenances which make for successful modern education. Every argument that is presented for keeping our Christian colleges in the United States sound in education and thoroughly Christian in their character applies to the schools in the mission fields.

There are many primary and secondary schools fostered by the Board throughout the world few of which have any endowment. This is also true of the junior and senior colleges. We cooperate in a goodly number of union institutions, some of which are slightly endowed, but all having an inadequate income. During the last ten years the appropriations for these institutions have been so greatly reduced that many of them faced the possibility of closing their doors. They were able to keep open by greatly enlarging the number of students paying full tuition. This means classes that are far too large for satisfactory work. In some countries government grants have been liberal, both for capital expenditures and current expenses. This has been especially true in India and Malaya. In a large majority of cases the tuition-paying students are non-Christians. Lack of scholarships at the same time has reduced the number of Christians so that the number of non-Christians in our secondary schools and colleges is all out of proportion to the number of Christian students. The result is a great lessening of the Christian influence of these schools.

The condition of the Christian schools in China needs special emphasis. Inadequate budgets in these schools during the last few years have radically reduced their efficiency. The war has magnified the difficulties of these institutions. Like schools in other countries, they have been largely financed through tuition fees. It is evident that during the war and in the days to follow this method of finance becomes impossible. They need immediate aid from the Christians of the West.

At this very time of financial difficulty the war in China is opening new doors of opportunity for Christian schools. The high esteem felt by government officials for these institutions has been referred to in the introductory sections of this report. It is clear that the already strong demand for graduates of Christian high schools and colleges in governmental programs for reconstruction and public improvement will become heavier in the years ahead. Methodism must do its share to provide well-equipped Christian youth for such posts.

The opposite pages list, country by country, the colleges and secondary schools that are fostered by the Board of Foreign Missions. We have indicated for each school, except those in China, the amount of funds needed in addition to the missionaries already listed on previous pages. The amounts required by individual institutions in China cannot be determined at the present time, in view of chaotic conditions. From the best information available we believe their minimum needs will be the amount indicated. The probabilities are that this sum will be required for a number of years.

ADDITIONAL ASKINGS

Covering work that the Church should do through this Board if and when the necessary support is provided through the Million Unit Fellowship Movement or otherwise

Project, Department or Type of Work	No. Students	Cost Per Year	Has This Work Been Previously Carried On by the Board or Is It New Work?
9. Colleges and Schools			
<u>China</u>			
Fukien Christian Univ.		\$50,000.	
(union)	160		
Univ. of Nanking(union)	249		
West China Union Univ.	574		
Yonching Univ. (union)	660		
Changli Middle School	334		
Peking " "	564		
Tientsin " "	469		
Tsunhua " "	60		
Taian " "	320		
University " "(Nanking)	976		
Wm. Nast Academy	474		
Nanchang " "	320		
Chungking Middle Sch.	446		
University " "(Chengtu)	207		
Anglo-Chinese Col.(Foochow)	609		
Foochow Union Middle Sch.	256		
Min-i " "	212		
Kutien " "	110		
Mintsing " "	149		
Yenping " "	157		
Guthrie Mem. " "			
(Hinghwa)	329		
<u>Japan</u>			
Chinzei Gakuin, Nagasaki	619	2,000.	
Hirosaki Boys Sch. Hirosaki	320	2,000.	
<u>Korea</u>			
Boys High Sch., Konju	90	1,500.	
Pai Chai Boys High Sch., Seoul	800	1,000.	
Pyenyang Boys High Sch., Pyenyang	577	500.	
Chosen Christian Col. Seoul	417	1,000.	
Soverance Union Medical Col., Seoul	183	3,000.	
<u>India</u>			
Lucknow Christian Col., Lucknow	1250	10,000.	
Forman Christian Col., Lahore (Cooperation with Presbyterian)	1200	3,000.	

ADDITIONAL ASKINGS

Covering work that the Church should do through this Board if and when the necessary support is provided through the Million Unit Fellowship Movement or otherwise

Project, Department or Type of Work		Cost Per Year	Has This Work Been Previously Carried On by the Board or Is It New Work?
No. Students			
9. Colleges and Schools (Contd)			
<u>India (Contd)</u>			
Baroda High Sch., Gujarat	203	\$1,000.	
Raewind Christian Inst., Raewind, Punjab	180	2,000.	
Clancy High Sch. Muttra	180	1,000.	
Ingraham Mem. Inst., Ghaziabad	200	2,000.	
Parker High Sch., Moradabad	542	1,000.	
Abbie Rich High Sch., Shahjahanpur	506	500.	
Lodipur Community Sch., Lodipur	150	1,000.	
Messmore High Sch. Pauri	124	1,000.	
Philander Smith Col., Naini Tal	107	2,000.	
Ramsey High Sch., Almora	575	500.	
Ushagram, Asansol	527	1,200.	
Mt. Hermon Sch. Darjeeling	156	2,500.	
Byrmon-Smith High Sch., Belgaum	229	1,000.	
Union High Sch., Jubbulpore	125	1,000.	
<u>Burma</u>			
Judson Col., Rangoon (cooperation with Baptist)	334	3,000.	
<u>Sumatra</u>			
Medan Boys Sch., Medan	301	2,000.	
Palembang Boys Sch., Palembang	430	1,000.	
<u>Africa</u>			
Col. of West Africa, Monrovia, Liberia	300	3,000.	
Taylor Inst., Quessua, Angola	150	1,000.	
Congo Inst., Kanene, Congo	459	1,000.	
Hartzell Mem. Training Sch. Old Umtali, Rhodesia	750.	1,200.	
Central Training School, Kambini, Bel. Congo	310	1,500	

ADDITIONAL ASKINGS

Covering work that the Church should do through this Board if and when the necessary support is provided through the Million Unit Fellowship Movement or otherwise

Project, Department or Type of Work	Cost Per Year	Has This Work Been Previously Carried On by the Board or Is It New Work?
<div style="text-align: right; margin-right: 20px;">No. Students</div> 9. <u>Colleges and Schools (Contd)</u>		
<u>Latin America</u>		
Seawall Sch., Panama 400	\$1,000.	
The Callao Schools, Peru Primary, Secdonary & High Schs. for Boys & Girls 1549	2,000.	
American Inst., LaPaz, Bolivia 777	5,000.	
American Inst., Cochabamba Bolivia 313	2,000.	
Santiago Col. for Girls Santiago, Chile 500.	4,000.	
Ward Col. Buenos Aires, Arg. (We have a conditional offer of \$2,000 a year for 3 years, provided we can meet this sum.) 317	4,000.	

10. India's Mass Movement. This subject has been discussed in the preliminary section of this document. Naturally many new missionaries, when we are able to appoint them, will go to India to work in these Mass Movement Areas, but they will need money with which to conduct their work. Thousands of inquirers are turning to the Church every week--more than can be handled adequately.

The chief problem that the missionaries face is to train leaders, both ministerial and lay, and to supervision of the work. The medium for this leadership training will be largely special training institutes, not only for pastors but for village leaders, lay men and lay women, Sunday school teachers, day school teachers--in fact every type of church worker who is giving himself to these tasks.

At the same time there will be needed funds to press the mass education campaigns which are becoming widespread in India. There is general adoption of the slogan "Every Christian literate by 1941." Some increase in funds to enable the Christian workers to itinerate among the villages is also essential. We believe that an average of \$3,000 is needed in each of the eleven conferences for the purposes here specified. It is reasonable to expect that every phase of the work of the Church in India would be doubled, if not trebled, within the next few years if this program can be carried out.

11. Missionary Education. The widespread currents of nationalistic feeling and other contributing factors have been rapidly sapping the missionary and benevolent instincts of our people. The result is an increasing indifference to the needs of people outside the United States. "America for Americans" and similar slogans are disastrous to a broad interest in the world and its need. In addition to this there is an increasing failure to realize that missions is the center of the Christian religion.

Any survey of the fields of the world today where the Gospel is being preached and the Church is being established will reveal that conditions are ripe for an extraordinary rapid development of the Christian movement.

The developments in all the world await the response of the Church but the Church, because of the attitude mentioned above, does not respond. One of the chief problems of Foreign Missions, therefore, is in the Church at home.

But these attitudes do far more than affect the foreign missionary enterprise. Selfish instincts are not confined to geographical boundaries. "The light that shines farthest shines brightest at home." In a budget system such as exists in our Church, this fact takes on a very practical significance for all our benevolence boards. Anything that the Board of Foreign Missions can do to change present moods and tendencies will affect favorably every benevolent interest of the Church, in fact we go further to say that it will affect deeply the life of the Church itself. This points to the necessity of a widespread but thoroughgoing and deep-rooted movement for missionary education. It must be carried on largely among groups that are at present not being adequately reached and requires funds which the Board does not now have at its disposal. The proposed activities are:

11. Missionary Education (Contd) **ADDITIONAL INFORMATION**

a. Work Among Students. One group of paramount importance that is not being reached is the Christian students. The Board employs a student secretary to give his whole time to this important task. He visits the colleges during the winter season and conducts at Lisle, New York, during the summer The Christian Mission Service Fellowship, an experiment for college students. He has gone far enough to prove the feasibility of his method of approach. But this program is far from adequate to meet the need.

b. Training Leaders in Missionary Education. Going back of that there is a similar situation among the young people who have not reached college age. Our fine materials for missionary education in this field are not getting to the Church and are not being adequately used. We need to train a host of leaders of young people to help us accomplish this purpose.

c. Seminars for Young Pastors. A third group consists of the younger ministers. Approximately 1,000 young men have joined the Annual Conferences during the last five years who have come through our high schools and colleges during the days when these nationalistic tendencies have been predominant. A series of pastors' seminars, organized for young ministers primarily, with sufficient time to go thoroughly into the total situation, would be of vast benefit to the total benevolent life of the church. The Board is ready to undertake such a plan if funds are made available.

d. Moving Pictures. From the standpoint of general cultivation, there is great need of a really adequate plan to provide the Church with high-grade motion pictures which will reveal the work of the Church on the foreign field. Motion pictures are always expensive and to secure them from far distant places under adverse climatic conditions would require more funds than are now available. Experiments have been conducted on an interdenominational basis, in fact a photographer is in Africa now under the direction of an interdenominational committee. We believe the time will soon come when we should have available for this purpose some greatly increased funds.

e. The Madras Conference. Making Madras known in this country is also an immediate home cultivation project that must be given prompt and serious attention. The widespread cooperative effort to interpret the mission of the World Christian Movement, especially as related to the Church as an on-going Christian witness, will be greatly emphasized by the next meeting of the International Missionary Council at Madras. The five sections in which this conference will do its work, of themselves, will show the comprehensive and fundamental character of these discussions. They will be taken very seriously by representatives of the younger churches. They need widespread and thorough presentation and discussion in the Church at home. We ought to prepare to make the results of the Madras Conference known, cooperating with other denominations wherever possible.

The Commission will note that the sum of these Additional Askings for every type of work in all of our fields scarcely totals more than the combined indebtedness on a few of our larger churches, or what one of the Christian colleges in America would ask for a single building, or what would be spent for a modest new hospital plant. We emphasize again the urgency of our situation by repeating the phrase which closed our preliminary statement-- "Destiny will not endure dallying."

Respectfully submitted

Ralph E. Diffendorfer

William E. Shaw

Corresponding Secretaries

ADDITIONAL ASKINGS

Covering work that the Church should do through this Board if and when the necessary support is provided through the Million Unit Fellowship Movement or otherwise

Project, Department or Type of Work	Cost Per Year	Has This Work Been Previously Carried On by the Board or Is It New Work?
10. <u>India's Mass Movement</u>	\$33,000.	
11. <u>Missionary Education</u>	36,500.	
a. Work Among Students \$7000.		
b. Training Leaders in Missionary Education 3,000.		
c. Seminars for Young Pastors 4,000.		
d. Moving Pictures 12,500.		
e. The Madras Conference 10,000.		
<u>Totals for Additional Askings</u>		
1. Restoring our missionary staff to the level of a year ago	\$23,514.	
2. Outgoing expenses of missionaries	33,600.	
3. Restoration of salaries	50,000.	
4. Missionary support from the Emergency Fund	25,000.	
5. Deficit of 1931	50,000.	
6. The sending out of additional missionaries	145,500.	
7. Preacher Training	44,450.	
8. Christian Literature	20,000.	
9. Colleges and Schools	73,400.	
10. India's Mass Movement	33,000.	
11. Missionary Education	36,500.	
Grand Total for Additional Askings	\$534,964.	

